Perceptions of Business and Governance in Africa: A Survey of Eight Countries

African Economic Policy
Discussion Paper Number 82
September 2001
Arthur A. Goldsmith
University of Massachusetts and
Belfer Center for Science and International Affairs
John F. Kennedy School of Government, Harvard University

Funded by
United States Agency for International Development
Bureau for Africa
Office of Sustainable Development
Washington, DC 20523-4600

Equity and Growth through Economic Research

EAGER supports economic and social science policy analysis in Sub-Saharan Africa. Its primary goal is to increase the availability and the use of policy analysis by both public and private sector decision-makers. In addition to the goal of achieving policy reform, EAGER seeks to improve the capacity of African researchers and research organizations to contribute to policy debates in their countries. In support of this goal, EAGER sponsors collaboration among American and African researchers and research organizations.

EAGER is implemented through two cooperative agreements and a communications logistics contract financed by the United States Agency for International Development (USAID), Strategic Analysis Division, The Office of Sustainable Development, Bureau for Africa. A consortium led by the Harvard Institute for International Development (HIID) holds the cooperative agreement for Public Strategies for Growth and Equity. Associates for International Resources and Development (AIRD) leads the group that holds the cooperative agreement for Trade Regimes and Growth. The Communications Logistics Contract (CLC) is held by a consortium led by BHM International, Inc. (BHM). Other capacity-building support provides for policy analysis by African institutions including the African Economic Research Consortium, Réseau sur Les Politiques Industrielles (Network on Industrial Policy), Programme Troisième Cycle Interuniversitaire en Economie, and the International Center for Economic Growth. Clients for EAGER research activities include African governments and private organizations, USAID country missions and USAID/Washington, and other donors.

For information contact:

Yoon Lee, Project Officer
USAID
AFR/SD/SA (4.06-115)
Washington, D.C. 20523
Tel: 202-712-4281 Fax: 202-216-3373
E-mail: ylee@usaid.gov

Carrie Main, Project Administrator
Belfer Center for Science & International Affairs
John F. Kennedy School of Government
Harvard University
79 John F. Kennedy Street
Cambridge, MA 02138
Tel: 617-496-0112 Fax: 617-496-2911
E-mail: carrie_main@harvard.edu
Contract AOT-0546-A-00-5133-00

Lisa M. Matt, Senior Advisor
BHM International
P.O. Box 3415
Alexandria, VA 22302
Tel: 703-299-0650 Fax: 703-299-0651
E-mail: lmatt@eagerproject.com
Contract AOT-0546-Q-00-5271-00

J. Dirck Stryker, Chief of Party
Associates for International
Resources and Development (AIRD)
185 Alewife Brook Parkway
Cambridge, MA 02138
Tel: 617-864-7770 Fax: 617-864-5386
E-mail: dstryker@aird.com
Contract AOT-0546-A-00-5073-00

Abstract

This paper reports on a recent survey of business leaders and civil servants in eight African countries. Most respondents see major problems with governance, though across countries there is a perception of improvement. This raises the risk of unmet expectations should the pace of reform slacken. Many respondents belong to business associations, which have been set up or revitalized during the 1990s to perform monitoring and advocacy functions for members. The associations are reported to carry out these tasks reasonably well. Another finding is the existence of a modest perception gap between the private and public sectors, which suggest that more needs to be done to improve feedback from business constituencies to government regulators and lawmakers. All in all, the study provides grounds for wary optimism about governance in the region. The challenge will be to keep on making progress without losing the perception of progress.

Author:

Arthur A. Goldsmith [agoldsmi@hiid.harvard.edu] is Professor of Management at the University of Massachusetts Boston and Faculty Associate at the Belfer Center for Science & International Affairs, John F. Kennedy School of Government, Harvard University.

*Cally Abdulrazak coordinated the early phases of the study. Sara Sievers provided administrative oversight. Jordan Dupuis and David Nicoll handled the data entry and preliminary analysis. Rita Aggarwal, Clive Gray, and Malcolm McPherson made very helpful comments on an earlier draft.

INTRODUCTION

This paper reviews results of a survey of business leaders and civil servants in eight countries in sub-Saharan Africa (henceforth simply Africa), conducted in late 1999 through mid-2000. The survey asked some 800 private and public sector managers and decision-makers how they saw the national business climate and the relationship between business, government, and public policy in their countries.[1]

Motivating the study was a desire to deepen our understanding of the development challenges Africa currently faces. While exceptions exist in this vast and diverse region, Africa as a whole has gone through a terrible "growth tragedy" over the past two decades (Easterly and Levine 1995). No comparable drop in income and living standards has befallen any other large part of the developing world during that period, and indeed many countries on the Pacific Rim have made huge gains in output since 1980.

Endemic disease, tropical location, landlockedness, and many other factors have been evoked to explain Africa's economic troubles. Among these harmful factors, poor governance is widely acknowledged to be among the most decisive, though again caution should be exercised in extrapolating from regional trends to circumstances in any particular country. Governance concerns the state's capacity to "develop an efficient and effective public management process…[and] to deliver basic services," according to the United States Agency for International Development (1998) definition. The United Nations Development Program (1997: 2-3) describes governance as the exercise of authority to manage a country's affairs. Good governance, according to the UNDP, is participatory, transparent, and accountable. The World Bank's (1994: xiv) definition is similar: the manner in which power is exercised to manage development, which the Bank suggests works best when procedures are clear and decisions are responsive to public demands.

Governance in Africa is believed to diverge widely from this model. On the demand side, the private sector has lacked the capacity to put pressure on the state to provide public goods. The weaknesses of indigenous business and the absence of an autonomous class of capitalists have diminished the possibilities for local businesses to take the lead in pressing their policy needs (Tangri 1998). On the supply side, many African states have taken on an expansive role far exceeding their modest capabilities. Historically, these states have attempted to occupy the "commanding heights" of the economy, trying through state-owned enterprise to jumpstart industrial development and economic modernization, but ending up producing low quality goods and services and making losses. These states also have tried to micro-manage the actions of private business, often strangling private initiative and enterprise. The extent of bureaucratic control exercised by African governments has created bottlenecks, bred corruption, and wasted resources that could have produced desirable public goods. Meanwhile, indispensable

[1] To avoid duplication of effort and to limit survey fatigue among African elites, this study was carried out in conjunction with parallel but larger studies by the World Economic Forum (2000) and World Bank. These studies had a common core of questions, but the questionnaires were different. USAID's EAGER project funded most of the cost of survey administration in the eight countries. The data were shared with the Bank and the Forum. For summary evaluations including several other African countries, see the *Africa Competitiveness Report 2000-2001* (World Economic Forum, 2000).

government functions such as security, contract enforcement, and infrastructure have been neglected. This has discouraged individuals and firms from taking risks or making non-speculative, long-term investments (Goldsmith 1998). On the contrary, the absence of supportive financial, state and social institutions has inhibited trust and accountability, impeded the access to capital, and interfered with labor market flexibility and sub-contracting (Pedersen and McCormick 1999). In the worst instances, states such as Liberia, Sierra Leone, and Somalia have collapsed, losing altogether the ability to exercise effective central authority, and creating international security problems on top of economic collapse at home.

Given the dysfunctions of many African states, escape from regional economic and financial malaise entails reinforcement of local and multinational business. A strong business sector does not occur spontaneously as a result of competitive economic forces. The state plays a pivotal role in creating an enabling environment within which companies can invest and expand. Contrary to a prevalent view among conservatives, market-based development is not mainly a matter of the state "getting out of the way" of the private sector, though deregulation and privatization still have a long way to go in Africa. Market-based development comes about where the state supplies the security, services, and predictability the private sector needs to innovate and work efficiently. Profit-seeking activity languishes unless there is a *capable state* that can fashion a sanctuary within which the profit motive and price mechanism can work (Grindle 1997).

To encourage saving and the funding of new business ventures, it follows that African states should refocus on fundamentals such as law and order, roads, financial stability, and social services, notably health and education (World Bank 1997). Business people should have fair but not untoward opportunities to learn about and influence the state's decisions that affect their industry. There should be opportunities for labor groups, consumers, environmentalists, and other non-business interests to have a say, as well, so that through their efforts they may help offset excessive demands by the profit sector. The state should broker these competing demands to keep a broad base of support for its economic policies, and to make adjustments as changing circumstances dictate.

Accordingly, many African governments have undertaken governance reforms over the past decade. Under pressure from disenfranchised groups at home, and with support from international donor organizations, they have introduced measures aimed at increased transparency and accountability. This involves making policy information more readily available, opening up decision-making processes, and holding public officials to task for efficient use of resources and achievement of outcomes. Many African governments have incorporated a wider range of views expressed by organized interest groups in the formulation of policies. Attempts have also been made to redefine the state's role by reducing interference in commerce and "leveling the playing field" for economic activity, with greater empowerment of non-state actors.

Despite official enthusiasm for governance reforms in Africa, however, the process is only beginning to be studied systematically from a cross-national perspective. Are the reforms working from the point of view of business? Are they sustainable? This paper looks at these issues, and in particular at the patterns and consequences of business association activity. It tries to shed light on the long-standing debate whether organizations that speak for corporate interests are part of the problem in bad governance, or part of the solution.

IMPROVING GOVERNANCE: INTEREST GROUPS OR CIVIL SOCIETY?

Two broad theoretical approaches have been advanced to explain the quality of governance that exists in a country. They suggest quite different roles for business associations and different strategies for promoting reform.

Public choice

The first approach is based on rational behavior and public choice. Shown the sorts of failures in governance that regularly occur in Africa, public choice theorists will look for evidence of "rent-seeking" behavior by well-placed and obstructive interest groups (Niskanen, 1971; Olson, 1982). Economic rents are policy-induced gains that would be absent in a competitive market. These artificial payments include extra money made from licenses, tariffs, tax incentives, public contracts, and direct subsidies. It makes sense for individual interest groups to demand government-produced rent, but the net results are sub-optimal from society's point of view. Such "market distortions" are tolerated because they make strategically placed groups better-off even as they harm the general public. Lobbying by special interests continually pushes the state to adopt new policies that generate additional rents, and to spurn economic reform (such as trade liberalization or deregulation) that would improve the well-being of the nation but reduce the production of rents. Lawful lobbying for rents often leads to illegal payoffs, kickbacks, and other corrupt forms of political influence.

Policy-oriented business associations are among the worst offending interest groups in many parts of the world, according to the public choice school of thought. Their special pleading perpetuates inefficient government programs that help a few firms at the expense of the larger society. The implicit solution is for governments to muster "political will" and push reforms through over the objections of entrenched interests, getting help in this task from the donors (Bräutigam, 2000b.)

Pluralism

An alternative pluralist theory of interest group behavior holds that that development involves the breakdown of birth-based ("ascriptive") group membership, and a corresponding rise in voluntary and formal organizations based on "acquired" status (such labor unions, professional bodies, or business associations). Poor governance in Africa is seen as resulting from factionalism and clientelism based on ascriptive characteristics, which has diminished the possibilities for commercially-oriented interests to push for their policy needs. The domestic entrepreneurial elite has been apt to be dominated by people of Asian, Middle Eastern, or European ancestry, whose ethnicity made them a convenient scapegoat for nationalist politicians and inhibited the emergence of effective business pressure groups.

From a pluralist perspective, the atomization and muzzling of business interests suggests Africa might be better off were firms better co-ordinated and able to speak out collectively on public affairs. International experience suggests that when economies suffer from policy distortions, business as a whole can become lobbyists for rent-reducing reform (Haggard *et al*. 1997, p. 51).

It is up to the private sector to demand the state take steps to reduce information asymmetries among firms and government agencies, and to shrink the cost of resolving disputes and enforcing contracts. Corporate lobbying is, of course, mainly aimed to enhance industry revenues and reduce industry costs; but it may help workers and consumers, too. Unlike public choice theory, however, pluralism contends that the side-effect of corporate lobbying may be economic reforms that indirectly or inadvertently serve the wider community, rather than always or solely additional government-produced rents for the lucky firms.

Pluralists thus look at business associations from a favorable angle, as potential sources of socio-political diversity (Moore and Hamalai, 1993). Poor governance is seen to result not from too much business political influence, but from too little or the wrong kind. Countries need "agents of restraint" on arbitrary or unaccountable behavior by government officials (Collier and Pattillo, 2000). Business associations may work as a countervailing power to other interests, including individual companies that have cut special deals with government for themselves.

Business associations have existed for years in many African countries, but only recently have they started to establish themselves as an important feature of public life in much of region. The Uganda Manufacturing Association, for example, was founded in the 1960s but lapsed during the unrest of the 1970s before being revived in 1988. The group currently claims some 700 members from the public and private sectors. The United States Agency for International Development worked with the manufacturing association in the early 1990s to create a Uganda National Forum as a voice for economic policy recommendations. The National Forum was abandoned after four years, but the World Bank stepped in with support for another umbrella group of business promotion organizations, the Private Sector Foundation (Bräutigam, 2000a, p. 261).

Good governance calls for good business-government communications. Critical is for public officials to understand how their decisions affect companies, which they can best find out by being "petitioned for redress of grievances," to paraphrase the United States Constitution. Likewise, business leaders need to understand the reasons for government policy and anticipate changes in it. Acting by themselves, individual firms may not be capable of taking part effectively in this interchange. This is especially so for smaller firms. They seldom have the expertise and staff time to engage in policy analysis and political action. Membership in a group of like-minded businesses may empower these smaller firms to participate in dialogue with government that would be denied them as individual units. Business associations in some countries have proven an effective transmission belt for the two-way exchange of public policy information. Whether or not associations can influence proposed and prospective changes in public policy, members at least gain time to adjust their behavior in anticipation of government action. Government gains, too, by receiving data that has been aggregated and checked for accuracy first (Maxfield and Schneider, 1997, p. 9). The result is better policy making and, hopefully, better economic performance in the long run.

Not only do business associations hold the potential to expand the range of issues up for public consideration and debate. They also can play a more general part in development by building social capital, though this contribution is harder to ascertain. As defined by many social scientists, social capital reflects the capability of people to form organizations and take on group tasks, which is important for social and economic progress (Putnam, 1993; Fukuyama, 1995). Like physical capital or human capital, social capital increases productivity. Unlike those other factors of production, however, social capital is intangible (Coleman, 1990, p. 302).[2] It is based on a matrix of personal connections, mutual obligations, and a shared sense of purpose. Business associations can add to society's stock of social capital, to its accumulated capacity for collective action and mutual aid.

RESEARCH QUESTIONS

The patterns and consequences of business association activity have not been systematically studied from a cross-national perspective in Africa. Does it fit the collaborative model proposed by pluralism, or the collusive model seen by public choice theory? This study aimed to learn more about four facets of the business-state relationship in the region.

First, how successfully African business and trade associations were seen to be in representing the broader business point of view with decision makers, and in keeping their members informed of current and proposed public policies. Developing countries are full of business associations that exist mainly on paper (Doner and Schneider, 1999). African business associations are sometimes accused of being underfunded, dependent on foreign aid donors, and having little impact on policy making (Temu and Drue, 2000). To what extent do managers support these kinds of criticisms?

A second issue was possible differences between companies and associations in their perception of association capacity and responsiveness. Principal/agent theory suggests that business association staff are apt to use these organizations for their personal aggrandizement and to work against members' interests. In an agency relationship, the person taking action is called the agent, and the affected party is the principal. Given information asymmetries (the principle cannot monitor everything the agent does, and the agent has incentives to conceal certain activities) there is bound to be some shortfall in performance. Were these principal/agent tensions perceived to be significant by member firms?

A related item is the ways industry structure affects business associations. Different companies often have conflicting interests due to size, location, or other factors. For example, importers want the exchange rate to appreciate to make their goods more attractive to local consumers, whereas exporters want devaluation to increase the value of their foreign sales. Where resources are unevenly distributed, say between one leading firm and many smaller ones, the incentive is for the dominant player to take direct, unintermediated action (Schmitter and Streeck, 1999, p. 27). Small firms, on the other hand, may have difficulty mobilizing for collective action. If large and small firms are in the same association, do the larger groups take charge and ignore the voices of other members? Do small members feel coerced and overwhelmed by the large members?

[2] Economists who have tried to quantify this ethereal resource find that social capital has a measurable effect in holding back African countries (Temple, 1998). More generally, Hall and James (1999) find that differences in 'social infrastructure' have a major impact on productivity across regions.

A fourth set of concerns involved relations with the state. Broadly speaking, two approaches exist for configuring business-government relations: a state-centered or corporatist model versus a society-centered model. Corporatism tries to engineer behind-the-scenes co-operation among major interests, who are often represented in compulsory and encompassing organizations. The society centered alternative is to encourage self-selected interest groups to compete for members and for favorable policies from state decision makers. Each approach may work or become dysfunctional. The public choice literature raises concern over the problem of "captured" bureaucracy, namely that business groups will penetrate the civil service and gain untoward influence over important aspects of public economic policy making. Equally bad is the opposite scenario, where bureaucrats ignore business group members' interests and turn the associations into an arm of the state. In Togo, for example, the official cloth merchants' organization has benefited insiders while working publicly to defend that country's corrupt government. In neighboring Benin, however, a more independent cloth merchants' group that included small producers served as an agent of reform (Heilbrunn, 1997). Is there evidence of bureaucratic capture or of excessive state power over business associations in the sample countries?

THE COUNTRY RESEARCH SITES

To learn more about local perceptions of these and other issues, eight national sites were selected for survey: Ghana, Kenya, Madagascar, Malawi, Senegal, Tanzania, Uganda, and Zambia. While not chosen as a representative sample of countries in the region, the group contains no obvious "outliers." The countries instead share many features with each other and with other African states. Not only does this facilitate comparisons among the group by reducing the "noise" in the data and holding constant some of the factors that could potentially shape national governance. It also makes it possible to draw cautious inferences for Africa more generally.

All the countries are medium sized, with populations ranging from around 10 million to nearly 30 million. Two of the countries are French-speaking, the rest are English-speaking. With the exception of Madagascar, which has a homogenous population, the others score high for ethno-linguistic diversity. (Uganda is not rated, but has a high level of diversity nonetheless.) This is important to note when contrasting governance within the group. Any differences in state capability will probably not be due to demographic or cultural factors, but need to be accounted for in other ways.

The United Nations rates six of the eight countries as having low human development, and two as having medium human development. Government consumption levels are similar in all countries, except for Kenya, where the government consumes a somewhat greater share of GDP. Per capita income in 1998 (using the purchasing power parity method of calculation) falls within a relatively small band, ranging from a low of $480 (Tanzania) to a high of $1,735 (Ghana). Only in Uganda did real GDP growth average more than 4.3 percent per annum from 1990 to 1999, and Uganda was recovering lost ground after economic collapse in the 1980s. Averaging about 1 percent per annum, Madagascar and Zambia experienced a drop in per capita GDP. Even the 4.3 percent rate achieved by Ghana made no significant impact on average income or poverty levels. Arguably, however, the economic similarities of the countries remain more striking than the variances. Table 1 presents the basic indicators for all the countries.

Table 1. Basic indicators for sample countries	million pop, 1995	Human Development Index, 2000	GNP per capita, 1998, PPP method	GDP growth rate, 1990-99	General government. consump. as share of GDP (1999)	Participa-tion in civil society (1995)	ethno-linguistic diversity index
Ghana	17.1	Medium	$1,735	4.3%	11%	Low	71
Kenya	26.7	Medium	$980	2.2%	17%	Low	83
Madagascar	13.7	Low	$756	1.7%	8%	Low	6
Malawi	9.8	Low	$523	4.0%	12%	Low	62
Senegal	8.5	Low	$1,307	3.2%	11%	Low	75
Tanzania	29.6	Low	$480	3.1%	12%	Low	93
Uganda	19.2	Low	$1,074	7.2%	10%	Uncertain	n.a.
Zambia	9.0	Low	$719	1.0%	10%	Medium	82

Sources: World Bank 2000b, 2001, UNDP 1999, Sachs and Warner data set.

Most of the countries receive a low rating for participation in civil society from the United Nations. Civil society refers to the social domain that exists parallel to the state. A handful of trade and business associations existed in each country in 1989, with the largest number tending to be found in the more complex economies, Ghana and Kenya (Bratton and van de Walle, 1996). The number of business groups has grown since then, though a raw count is not available, many new ones having been set up in the 1990s with support from international benefactors. Reported membership in business groups is widespread in the eight countries we surveyed in 1999-2000. With the exception of Senegal, two-thirds to over 90 percent of respondents indicated that they belonged to a chamber of commerce, export association, or similar type of organization. In Senegal, the rate was about half the respondents.

Membership is distributed across large and firms. Looking at all eight countries, almost all firms with more than 100 employees that responded to the survey indicated that they belonged to a trade association or industry group. That is not surprising, given that these bigger firms are probably savvier about business-government relations. More surprising was the extensive membership among firms with less than 100 employees. Sixty-seven percent of these smaller companies reported belonging to a business association, which suggests even these small firms see advantages in joining with other companies to protect their common interests. we will return to this issue below.

Governance is a political phenomenon, and good governance usually blooms in more open and competitive political settings. The human rights watchdog organization Freedom House (2000) currently considers all but Kenya to be “partly free” in terms of civil and political rights. These political freedom scores suggest that most of the people in the organizations queried had real, though modest, opportunities to act outside the control of the government and to take part in public decisions. Regarding the related but somewhat different question of the protection of economic rights, the right-wing American think tank, the Heritage Foundation (2001), gives all the countries the same evaluation of “mostly unfree.” This suggests that the economic actors surveyed had limited, but equivalent liberty in the economic arena, no matter which country.

The political picture of these societies is thus one of emerging yet fragile pluralism. This is important because even fledgling democracies, such as we find in at least seven of the eight country cases, can create a political and economic climate that business associations can take advantage of to push for more favorable treatment by authorities (Lucas, 1997). To the extent that participatory consultative processes are new and untested, however, the probability is lessened that business interest groups will work effectively to improve governance and facilitate a stable environment for private enterprise.

Taken together, the social, economic, and political data suggest the eight countries can readily be compared. While we ought not overstate the uniformity or deny the importance of unique domestic histories and circumstances, there is enough common ground among the national cases to begin to make meaningful inferences about differences and similarities in governance. The inter-country patterns observed cannot be easily explained as the by-product of divergent economic or political development.

THE SURVEY

In each test country, survey forms covering a range of questions were administered separately to leaders of three categories of organizations: private firms, trade associations and chambers of commerce, and civil servants and public regulators. Roughly 100 organizations were questioned in each country, the largest number being firms. More than half the firms were small to medium-sized enterprises, defined as having fewer than 100 employees.

Recent surveys have gone over some parallel ground in regard to investor perceptions about dealing with the state in Africa (Brunetti *et al.*, 1997; World Economic Forum, 1998). The present study breaks new ground regarding perceptions of African governance, however. First, business association staff was interviewed in each country, in addition to corporate officials. For triangulation, we also were concerned with the views and attitudes of African bureaucrats and politicians.[3] Accordingly, surveys were administered to representatives of all three sectors—government, business, and business associations.[4] This makes it possible to assess the extent to which these participants in policy debate see the world differently. Do they communicate with each other? Do they share similar views about the needs of business and the economy?

Third, the country samples are much larger and include far more medium-size businesses than previous surveys. These smaller firms are likely to have different attitudes compared with the large corporations and multinational enterprises that were over-represented in the earlier studies. Larger companies have easier access to decision-makers than smaller firms do, whereas small companies may want to "free ride" on the activities of their larger rivals or collaborators.

The survey was launched in 1999 and continued into the following year. Because different countries were surveyed at different times, the results are not a scientifically accurate snapshot of

[3] The useful African Bureaucratic Structure Survey (Court *et al*., 1999) uses the opinion of a small number of experts for each country. Many of its results are similar to those identified here, however.
[4] Due to administrative problems with the enumerators, no civil servant responses were obtained for Ghana.

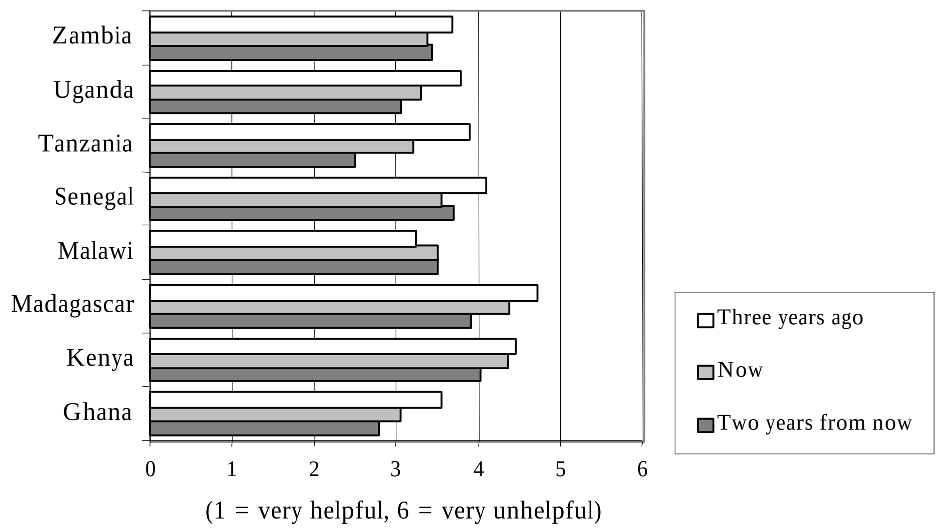
a given moment in Africa. It should be underlined that the survey probes only what people *say* the business and organizational climate is like; it does not ascertain what the climate actually is (or even what respondent's true thoughts are, as opposed to what they will admit on a questionnaire). Concrete government actions form the experience base for perceptions of the policy environment, but they are only part of the story. There may well be delays in perception, as it takes time for people to apprehend that governance has changed for better (or worse). Perceptions are shaped by "spin" and propaganda, as well as by emotional reactions and unquestioned assumptions that filter reality. Feedback makes perceptions especially important, however. Subjective appraisals of governance can exert real influence on governance over time.

This is due to the self-fulfilling prophecy syndrome. If economic agents as a group see the legal and regulatory environment for business as risky or rigid, they may withdraw and refuse to invest or participate in policy advocacy. Those actions may help to produce the very conditions the agents thought they saw in the first place. Conversely, if economic actors collectively believe the business and political climate is supportive, and take action to exploit the favorable opportunities they see, their beliefs may become fact. Capable states convey an aura of good governance. Understanding the state's image is thus a first step toward discerning whether the state's regulatory and economic management enhances market activity or detracts from it.

HOW BUSINESS LEADERS SEE GOVERNANCE

Business executives in all eight countries report broad disappointment in their relationship with government officials. This is shown in Figure 1. Respondents were asked to rate their central government on a scale of 1 to 6 (with 1 being very helpful and 6 being very unhelpful) regarding its relationship to local business. The mean response varied somewhat across countries, with Ghanaian business managers expressing the least displeasure with central government. Managers in Madagascar and Kenya hold the most negative views. But in no country can the overall perception of governance be classified as very favorable.

Figure 1: Businesses: Please rate your overall perception of the relation between government and/or bureaucracy and private firms on the following scale. "all in all, for doing business I perceive the state as:"



Source: Author's calculations.

Part of the reason for this perception is too much red tape, which diverts firm resources from other pursuits (Emery et al. 2000). We asked what fraction of senior management's time is spent with government officials negotiating or obtaining licenses, regulations, permits, or tax assessments. The median answer in every country save Madagascar and Malawi was 10 percent of senior management's time. In Madagascar, the median response was somewhat higher. Fifteen percent of senior management's time is devoted to such formalities, according to Malagasy respondents. Malawi evidently has more streamlined bureaucratic procedures, because the midpoint response was 5 percent of management's time. Even that is a large part of the day to devote to what should be routine matters. Clearly, the sample countries have a long way to go to create a sustaining and enabling environment for business.

Rising expectations

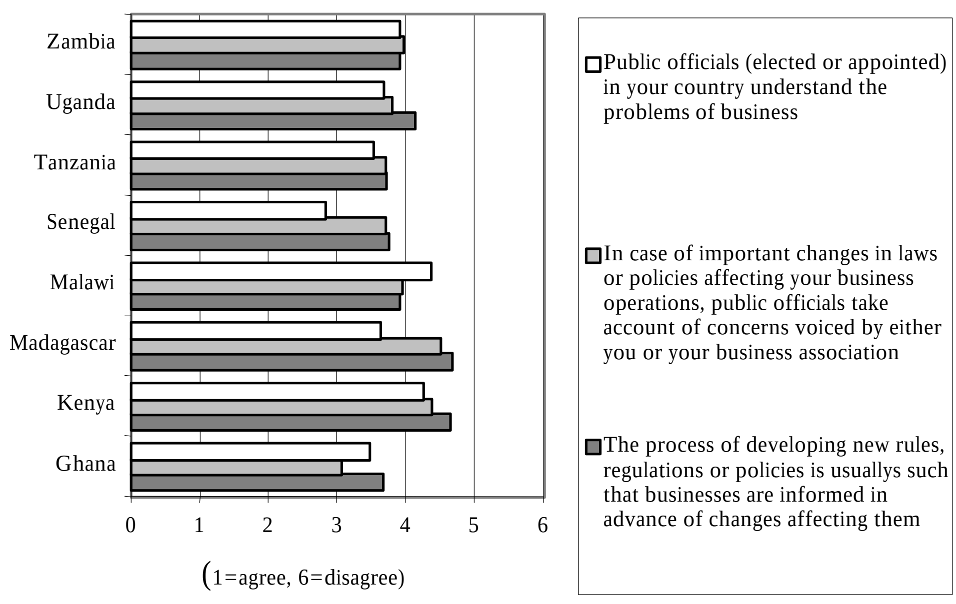
Despite the negative overall assessment by business leaders, it is important to note an undercurrent of cautious optimism that runs through the survey data. Except for Malawi, business people in each country have the impression that business-government relations have *improved* over the past three years. The current situation is far from ideal, these managers seem to be saying, but it used to be worse. In most countries, they project that the public policy environment will continue to get better over the next two years. So some of the governance reforms implemented in the 1990s are seen as having begun to take effect, with corresponding small gains in business confidence.

This modestly upbeat view of governance may pose a problem in the future. Since initial expectations were probably quite low in the eight countries, meeting those expectations may have been relatively easy. Now managers are looking forward to continued legal and regulatory improvements. Should those improvements fail to keep up with the anticipated pace of change, perceptions could veer the other way. Any downturn in psychology could fuel a real downturn in the economy, as pessimistic attitudes feed into less political involvement and less investment. Governments need to be aware of how precarious expectations can be. They may need to speed up and broaden governance reforms to avoid the *appearance* of falling behind. On the other hand, governments do not want to move so fast as to raise expectations to unrealistic heights. Eventually people will scale back their expectations, but in the meantime the damage is done. Governments thus need to walk a fine line in managing business perceptions.

Credible commitments

Rising expectations do not negate managers' doubts about government capacity to respond to business problems. As Figure 2 shows, with the exception of Senegal, they were skeptical of their government's understanding of business problems. In most countries, even fewer managers thought public officials considered their views when making policies. Finally, the managers said government did little to inform them in advance about policy decisions, which might have enabled the managers more easily to adjust their behavior and make the trade-offs needed to cope with changed circumstances.

Figure 2: Businesses: Perceptions of government responsiveness



Source: Author's calculations.

The survey put forward several related questions, and found a consistent pattern of skepticism and criticism concerning the public sector's capacity to honor its commitments. Government credibility has been found to be a key factor in business confidence and economic development (Borner *et al.*, 1995; Williamson, 1996). Managers like a predictable legal and regulatory environment because it facilitates planning and risk assessment. In the focus countries, however, most private managers responded negatively when asked if public officials could be counted on to follow through on promises. Uncertainty about government policy may be a more serious constraint on business than what policy actually is, since doubt can cause private investors to postpone action indefinitely. Investors may find it easier to deal with harmful policies, as long as those policies are settled upon and comprehensible. Private managers also mentioned as a problem civil service helplessness in avoiding drastic interruptions in government service during periods of political instability, though the response was somewhat more favorable from Kenyan and Malagasy businessmen.

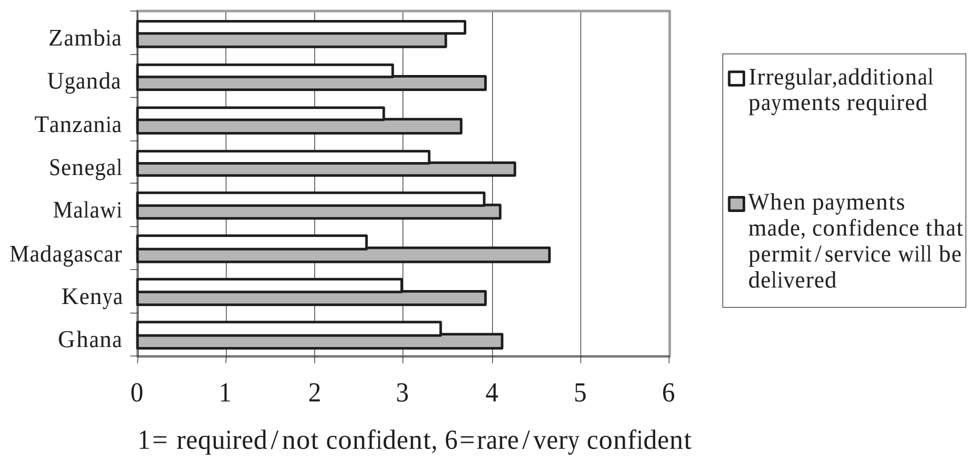
Corruption

Political corruption constitutes a widespread challenge to private enterprise in Africa. Corruption refers to the abuse of political power for private purposes, and it includes such illegal and unethical activities as payoffs, kickbacks, and extortion. While corruption is pervasive, the survey suggests there are important intra-regional differences in its scale, with Kenya and Madagascar scoring the worst. Respondents were asked how problematic corruption was for doing business in their country. Of the businessmen and women who answered this question in Kenya and Madagascar, 88 percent and 91 percent, respectively, said corruption was a strong or very strong problem. By contrast, 54 percent and 58 percent gave this response in Malawi and Ghana—still a large proportion who see corruption as a major impediment to business, but a far lower share than in the first two cases. The remaining four countries had perceived corruption that was intermediate between the worst and best cases. Surprisingly, however, across the sample countries there was no difference in perceived corruption between large and small firms (over 100 versus under 100 employees). It is a problem that appears to affect every size of business about equally.

Favoritism in public procurement is a common source of corruption. Business people were asked whether government contracts and other public benefits are awarded based on competitive bidding basis or to friends and relatives of politicians. Respondents everywhere reported cronyism and nepotism. This perception was strongest in Kenya, followed by Madagascar. Respondents in Tanzania and Ghana were the least likely to think that there is preferential treatment in the awarding of public contracts. Across countries, only a small difference in perception separated large and small firms, with large firms just slightly less likely to see a pattern of partiality in government contracting.

Another concrete manifestation of corruption is the demand for “grease” money to speed up bureaucratic action. Business leaders were asked whether they had to make irregular, supplemental payments to acquire basic services such as export permits, business licenses, tax assessments, or loan applications. In Madagascar, Tanzania, and Uganda the majority of business respondents said such payments were required, while in Ghana, Malawi, and Zambia, respondents were more likely to say these expediting payments were rare (see Figure 3).

Figure 3: Businesses: Perceptions of corruption



Source: Author's calculations.

In contrast to mistrust of government's policy commitments, the view is that bribery works. A significant proportion of businesses in all eight countries reported that, when they do pay a bribe, they are reasonably certain the bribe will produce the intended result. As the darker bar in Figure 3 shows, there was a consistent degree of confidence in the outcome of corruption regardless of how endemic corruption was reported to be. This finding suggests that these expediting payments and kickbacks are seen as 'efficient" in the sense of accomplishing what they are supposed to accomplish. Corruption does impose a social cost, but the resources are not wasted from the perspective of the firms making the under-the-table payments. In other words, the data point to a classic "collective action" or "free-rider" problem. What is rational at the group level (lowered corruption for all firms) makes less sense at the level of the firm, and creates disincentives for firms to get together to press for changes (for example, a transparent public bidding process) that would benefit them all.

An unfortunate by-product may be that companies come to prefer bribery to cleaning up the policy making process and subjecting themselves to true competition in the marketplace. This would constrain private sector backing for anti-corruption reforms, notwithstanding the external economies such measures create by cutting costs for the business community as a whole. Yet experience from around the world suggests that clean governance reforms usually need the support of the profit-oriented sector to be implemented (Rose-Ackerman, 1999, p. 205). The business community may finally move when the price of illegal payments is perceived as getting too high, so that even favored firms seek relief. Watchdog groups such as Transparency International have an uphill battle lobbying for better governance in African countries if the appeal is based mainly on collective self-interest. They stand a better chance of building support when individual companies understand how public honesty can yield concrete benefits for them.

The legal system is not seen as likely to be of much help in combating corruption or carrying out other functions needed by business. The police in these countries are apt to be given very low ratings, and the judiciary does even worse. More managers disagreed than agreed when asked if their court systems were honest and impartial. They also cited the courts' failure to enforce contracts. Again, there were national variations, with Kenya and Madagascar tending to fare the worst in the eyes of local business people. We also continue to observe the pattern of cautious hopefulness, however, with managers in most countries looking forward to gradual improvements in the capacity of the legal system.

BUSINESS ASSOCIATION PERFORMANCE

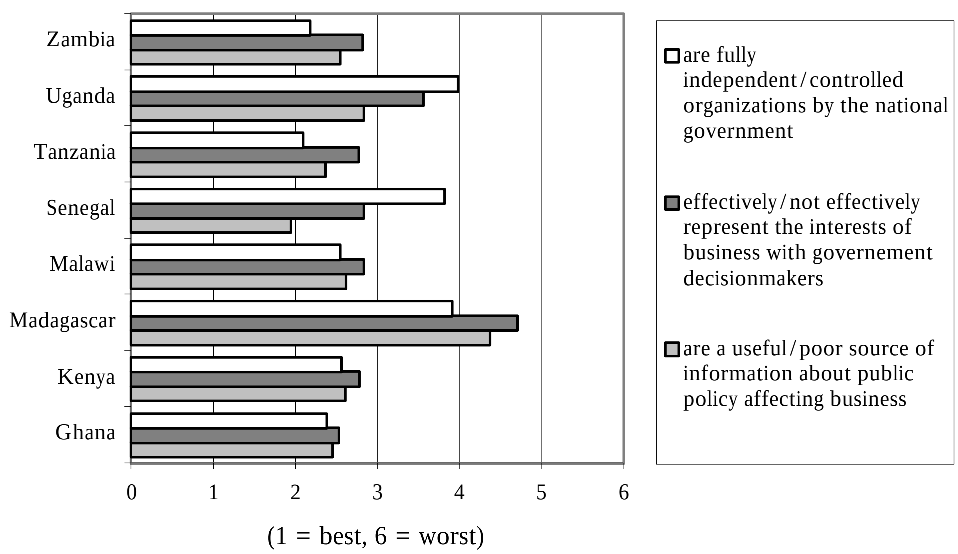
As explained above, firms can gain input to policy making through either state-centered or society-centered participatory and consultative mechanisms. The state-centered or corporatist model of business-government relations has proven reasonably effective in some of the smaller countries of Europe, such as Austria and the Netherlands. In this model, the state sets up official, two or three-way systems of representation, with official apex organizations designated to speak for the major "pillars" of society, such as labor, business, and the non-profit sector. Many African countries have adopted elements of corporatism, but the results have been far less noteworthy compared with Europe.

African political leaders may have a legitimate interest to avoid being besieged by contradictory voices, yet corporatist arrangements may simply be a cover for exerting control over society. That kind of co-optation compromises the capability of apex business associations to act as stewards of their members' interests. Nigeria, for example, tried in the late 1980s to get business to speak with one voice by having the President or Vice President chair regular meetings at which the private sector would be represented only by the three largest business associations. There was, however, a long history of rivalry among Nigerian business associations, and the attempt to impose a monopolistic order on the industrial and commercial community did not work (IDS, 1996).

Society-centered representation through autonomous business coalitions may stand a better chance of gaining members' support. In these sorts of political arrangements, interest groups exist outside the formal structure of government and need to figure out their own strategies for gaining the ear of policy makers. An interesting case is the Union Nationale des Commerçants et Industriels du Sénégal (UNACOIS), an organization of 70,000 mostly informal sector traders. The UNACOIS merchants are indigenous entrepreneurs who have not been party to the political patronage that characterizes most business-government relations in Senegal. This organization asks new things of government, including an end to state-owned enterprises that compete with its members and an easing of bureaucratic regulations that raise its members' cost of business. Using direct political action such as strikes and rallies, and working within the establishment to obtain seats on various consultative bodies, UNACOIS has become a potent political force and promoter of economic liberalization (Thioub *et al.*, 1998).

What is the perception in our eight countries? Business leaders in Madagascar, Senegal, and Uganda saw the trade associations largely in corporatist terms, as arms of the central government. This is not surprising, given the first two countries' French legal heritage and Uganda's top-down policy consulting framework, mentioned earlier. In the other five countries, respondents saw the associations as being more society-centered. There appears to be a slight preference for the society-centered approach, though government domination or influence did not necessarily render the associations irrelevant or dysfunctional in the eyes of the members (see Figure 4).

Figure 4: Businesses: Business associations (for example the chamber of commerce or commodity associations) in your country



Source: Author’s calculations.

As noted, business associations are meant to execute two-way communications. Most business persons who belonged to associations across the seven countries other than Madagascar, perceived the groups as fairly useful downward sources of information about public policies. In Madagascar and, to a lesser extent, Uganda members tended to be less sanguine about whether the associations were effective in upward advocacy with the government. The tepid response about business lobbying in Uganda is somewhat surprising. These associations often are cited as success stories by aid agencies, but members have reservations about how well these associations actually speak for the interests of Uganda’s business community. Interestingly, though, Senegalese business associations got relatively high ratings, despite the perception of government domination.

Across countries, business association members report a greater sense of political efficacy compared with non-members. For example, association members were somewhat more likely to concur with the statement: “Public officials (elected or appointed) in your country understand the problems of business.” Association members also were more apt to say that when their industry has a problem, government officials would work hard to take care of it. It seems plausible that joining a business association helps business executives overcome their feelings of helplessness vis-à-vis the government, though the opposite is possible; people who feel helpless may avoid business associations in the first place. But if membership does impart a sense of efficacy, that is further evidence that the associations are improving communication flows, which may help to demystify government activity and persuade members to give public officials the benefit of the doubt when they take decisions.

There also is evidence that belonging to a business association may help to build social capital and trust among firms. Member firms were likely to say that collusion by their competitors to limit access to credit, supplies, land, equipment or customers was no obstacle or a minor obstacle; non-member firms tended to say that collusion was a moderate or major obstacle to doing business. On the other hand, association members were somewhat *more* prone to think that competing companies gained undue advantages by avoiding taxes and import duties. The experience of collaborating with other companies may dispel some suspicion that one's business adversaries are getting ahead through unfair trade practices, not to mention limiting the actual opportunities for unfair practices. But Africa still has a long way to go in bringing business confidence to a point where individual firms do not routinely suspect that the economic playing field is being tilted to their detriment.

Agency costs do not appear to be excessive in the business associations under consideration. Generally, the association staff mirrored the views of their membership. They reported the same level of unhappiness with government services, along with similar qualified optimism about the near future. The matching responses point to minimal agency misdirection and to acceptable communication lines between business associations and their members. Perhaps low agency costs help explain members' perception that these groups are useful and fair advocates of members' viewpoints.

There was little deviation in perception between small firms (under 100 employees) and large firms (over 100 employees) in the eight-country sample. Both size groups had parallel favorable views of business associations as sources of information and as vehicles for advocacy and representation. That finding departs from what might have been anticipated. As mentioned earlier, it was probable that large and small companies would evaluate these associations differently, due to the chances for dominance by major firms and apathy and marginalization of minor firms. Yet, smaller companies are just as likely to see useful payoffs from association membership. They do not see business associations as biased toward larger participants. Since smaller companies are generally less able to develop and carry out public affairs strategies by themselves, this is a hopeful observation. It suggests that business associations may become an effective voice for emerging local firms that may hold the key to more rapid development and poverty reduction in Africa.

The survey found that exporting firms (defined as over 50 percent of sales to foreign markets) had a better impression of business associations compared with other companies. Since exporting firms are also likely to be larger, size may account for the difference. In addition, however, it is possible that exporting firms have greater need for collective action since they have to run the gauntlet of customs regulations in addition to coping with other government rules and procedures. Necessity may thus drive them to demand more services from their associations. Similar factors may explain why mining firms had an above-average positive view of business associations. Their large fixed assets give them less maneuverability compared with other companies, and may likewise force them work collectively on policy advocacy and information provision.

For the associations to fulfil their functions of interest aggregation and articulation, there obviously must be contact with government officials. The bureaucracy is critical to the business-government nexus, which in economically successful countries often is described in terms of "growth coalitions" and "embedded autonomy" (Evans, 1995; Lucas, 1997). In this view, East Asia's rapid development is based on internally coherent public bureaucracies that are linked to the private sector. How much contact between business and government is revealed in the survey?

The reported level of interaction with civil servants is considerably higher than it is with elected officials and politicians. Nearly one-third of the business association personnel (staff lobbyists rather than members) who responded to this question said they met daily with civil servants to go over matters of importance to their members; about one-fifth reported weekly or monthly meetings. Much less frequent contact was reported at the political level—nearly half the association personnel said they seldom met with politicians. Still, this leaves about 40 percent of the association respondents reporting at least monthly encounters with politicians to discuss business and public policy issues.

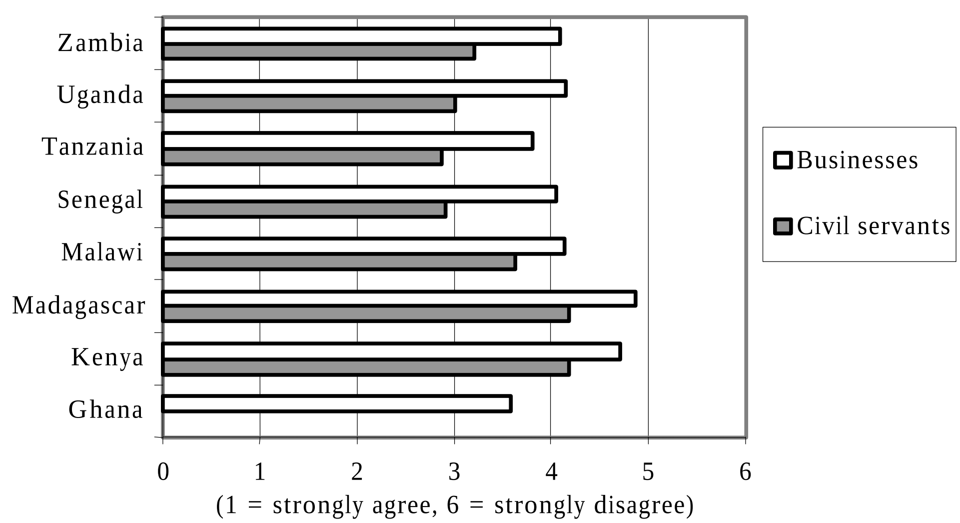
Whether these meetings get very far is another question. As noted, business leaders are somewhat discontented over the ability of bureaucrats and politicians to understand the business perspective, and to respond to business requests in meaningful ways. Many association lobbyists claim that their industry does not get a fair hearing, agreeing with the statement that officials were more likely to act in response to demands from other sectors. So the perception of favoritism is still much alive.

CIVIL SERVANTS

How does the government bureaucracy see governance issues? As mentioned above, to triangulate the responses from business firms and business associations, we polled civil servants on parallel questions. It is no surprise that civil servants viewed public officialdom more positively than did the private sector. On every major question in each country, government respondents reported themselves as more responsive to business views and more transparent in their actions, compared with business perceptions. What perhaps is surprising is that the gap in perception was not greater.

For example, Figure 5 reports the response to the following statement: "In general, business in your country expects too much of government." Most business leaders in each country disagreed rather strongly with the statement. Civil servants, by contrast, were more likely to be neutral about or disagree only modestly with the statement. Yet, it is interesting how small the difference in perception is. A fair number of civil servants did *not* think business expected too much of government. In general, the data suggest that civil servants are prone to see governance conditions only marginally differently from the way businesses and business associations do. They are willing to concede significant problems in governance, even though their bias is to minimize those problems. They are in accord with private managers that the difficulties are most serious in Kenya and Madagascar, and somewhat less serious in Senegal and Tanzania. These patterns suggest that common ground exists in each country for private and public sector co-operation to continue reforming governance. That is good news.

Figure 5: In general, business in your country expects too much of government



Source: Author's calculations.

Civil servants have a complimentary impression of the business associations—even more approving than the impressions of association members. Civil servants tend to agree quite strongly with the statement that these organizations are a useful source of information about public policy affecting business. They also say that business associations rather effectively represent the concerns of business with government decision makers. These perceptions corroborate other evidence in the survey that African business associations are discharging their two-way communications responsibilities reasonably well.

One significantly different reported perception was the frequency of contact with the business community. Only 9 percent of civil servants indicate they meet with business people every day to discuss policy issues (as opposed to 30 percent of business association lobbyists who reported daily encounters with civil servants). On the other hand, 39 percent of civil servants say they have such meetings on a monthly basis (as opposed to 21 percent of association personnel). The gulf in reported meetings between the groups could be real, not simply a clash in perception, for private sector representatives could be meeting the same handful of bureaucrats on business issues repeatedly. If that were so, however, it would help explain why many government employees are out of touch with the concerns of the private sector.

Civil servants also consistently see somewhat less political or bureaucratic corruption compared with business people (with the exception of Zambia, where the opposite was found.) It is understandable that civil servants would underreport bribes and kickbacks, just as it is understandable that business people might embellish government dishonesty and attribute special advantages to their competitors. However, both the private and public sectors acknowledge rampant corruption, even as they quibble over its dimensions. Again, the overlapping perceptions suggest the problem must be serious, not the product of people's imagination, and they provide a starting point for business people and civil servants to talk with each other about how to confront corruption.

CONCLUSIONS

This study has investigated perceptions of governance in eight African countries. The main finding is that most businessmen and women, irrespective of firm size, still see major problems with governance. Despite a decade of reform, they find government officials lacking the will or capability to provide a legal, regulatory, and political environment in which private enterprise can flourish. This tends to confirm the broad range of studies that identify continued serious shortcomings in governance in Africa. The perception, however, is that conditions have ameliorated somewhat in the past several years, though whether this is the result of governance reforms or the halo effect of other factors (an improved world economy, changes in national leadership) is not clear from this study. What does seem clear is that the eight countries have taken some steps forward, but still have vast room for improving the business environment and public policy.

A second important finding concerns business associations. Many such groups have been set up or revitalized in Africa during the 1990s, with a view to reproducing the advocacy and informational functions performed by business associations in the advanced and emerging industrial countries. It has been an open question whether the African groups would represent all their members' interests, or become captive to the state or be subordinated to the larger members. The answer seems to be that the associations work reasonably well, keeping members updated on the policy environment and interceding on members' behalf with policy makers. Especially where these groups are seen as less dependent on government, they are perceived to be performing reasonably well. African business associations are likely to be a building block for future progress in governance.

A third finding points to a modest perception gap between the private and public sectors. Government officials generally believe they are doing a better job than business managers give them credit for. This may have a lulling effect that will slow the pace of institutional reforms. Then again, government officials do accept that public policy toward business is deficient in many ways, even if their disapproval does not register as strongly as it does in the private sector. Clearly, much needs to be done to improve feedback from business constituencies to African government regulators and lawmakers, keeping them up to date with the business response to their actions and inactions. Yet, the perception gap is not so wide as to preclude business and government co-operation. Barring deep cynicism or apathy, governance problems receive enough acknowledgement from all parties to be the platform for further meaningful dialogue and reform in Africa.

The perception gap points to a fourth important observation from the survey: the risk of unmet expectations. Most respondents to the survey—business people, association staff, government employees—expect governance conditions to improve over the next few years. It will be difficult to meet these higher expectations simply by continuing the modest governance reforms of recent years. Yet, not meeting expectations is likely to produce a letdown that may dampen economic confidence and make lobbying for additional market liberalization seem pointless. For the future, African countries not only need to accelerate the pace and range of reform, but also to find ways of keeping alive the sense of momentum so that economic actors do not become discouraged into withdrawing from the market or from the policy process.

The survey in eight African countries thus provides grounds for wary optimism about governance in the region. Business associations are emerging that can make a useful contribution to public policy debates, and government officials seem potentially receptive to this information. Many of the business and government leaders quizzed feel a precedent has been set for taking forward steps in the business environment. The challenge will be to keep on making progress without losing the perception of progress.

REFERENCES

Borner S, Brunetti A, and Weder B. 1995. *Political Credibility and Economic Development*. St. Martin's: New York.

Bratton M, and van de Walle, N. 1996. *Political Regimes and Regime Transitions in Africa: A Comparative Handbook*. Michigan State University Working Paper No. 14.

Bräutigam D. 2000a. Foreign aid and the politics of participation in economic policy reform. *Public Administration and Development* **20** (3): 253-64.

Bräutigam D. 2000b. Interest groups, economic policy, and growth in sub-Saharan Africa. EAGER African Economic Policy Discussion Paper No. 40.

Brunetti A, Kisunko G, and Weder B. 1997. Institutional obstacles to doing business: Region-by-region results from a worldwide survey of the private sector, *World Bank Policy Research Working Paper 1759*.

Coleman JS. 1990. *The Foundations of Social Theory*. Belknap: Cambridge.

Collier P, and Pattillo C. 2000. *Reducing the Risk of Investment in Africa*. Macmillan: Basingstoke.

Court J, Kristen P, and Weder B. 1999. Bureaucratic structure and performance: First Africa survey results. Tokyo: United Nations University.

Doner RF, and Schneider B. 2000. *The New Institutional Economics, Business Associations and Development*. International Labor Organization: Geneva.

Easterly, W, and Levine, R. 1995. *Africa's Growth Tragedy: A Retrospective, 1960-89*, World Bank Policy Research Working Paper 1503.

Emery, JJ, Spence, MT, Wells LT, Beurhrer TS. 2000. Administrative Barriers to Investment: Reducing Red Tape Analysis, *Foreign Investment Advisory Services Occasional Paper 14* <http://www.ifc.org/ifc/FIAS/pubs/occasion/op14.html>.

Evans P. 1995. *Embedded Autonomy*. Princeton University Press: Princeton.

Freedom House. 2000. *Annual Survey of Freedom Country Scores* <http://www.freedomhouse.org.rankings.pdf/>.

Fukuyama F. 1995. *Trust*. Free Press: New York.

Goldsmith, AA. 1998. Institutions and economic growth in Africa. *EAGER African Economic Policy Discussion Paper No. 7*.

Grindle, MS, ed. 1997. *Getting Good Government: Capacity Building in the Public Sectors of Developing Countries*. Harvard Studies in International Development: Cambridge.

Hall RE, and James CI. 1999. Why do some countries produce so much more output per worker than others? *Quarterly Journal of Economics* **114** (1): 83-116.

Haggard S, Maxfield S, and Schneider BR. 1997. Theories of business and business-state relations. In Maxfield S. and Schneider BR (eds.), *Business and the State in Developing Countries*. Cornell University Press: Ithaca.

Heilbrunn JR. 1997. Commerce, politics and business associations in Benin and Togo. *Comparative Politics* **29** (4): 473-92.

Heritage Foundation. 2001. *Interactive Index of Economic Freedom*. < http://www.heritage.org/index/>.

Institute of Development Studies (IDS). 1996. Business associations in developing countries. Brighton, UK.

Lucas J. 1997. The politics of business associations in the developing world. *Journal of Developing Areas* **32** (1): 71-96.

Maxfield S and Schneider BR (eds.) 1997. *Business and the State in Developing Countries*. Cornell University Press: Ithaca.
Migdal JS. 1988. *Strong Societies, Weak States*. Princeton University Press: Princeton.
Moore M, and Hamalai L. 1993. Economic liberalization, political pluralism and business associations in developing countries. *World Development* **21** (12): 1895-1912.
Niskanen W. 1971. *Bureaucracy and Representative Government*. Aldine: Chicago.
Olson M. 1982. *The Rise and Decline of Nations*. Yale University Press: New Haven.
Pedersen PO, and McCormick D. 1999. African business systems in a globalising world. *Journal of Modern African Studies* **37** (1): 109-135.
Putnam RD, with Leonardi R and Nanetti Y. 1993. *Making Democracy Work*. Princeton University Press: Princeton.
Rose-Ackerman S. 1999. *Corruption and Government: Causes, Consequences, and Reforms*. Cambridge: Cambridge University Press.
Sachs JD, and Warner AM. n.d. Sources of slow growth in African economies dataset. < http://www.cid.harvard.edu/ciddata/ciddata.html>.
Schmitter PC, and Streeck W. 1999. The organization of business interests: Studying the associative action of business in advanced industrial societies. Max Planck Institute for the Study of Societies. < http://www.mpi-fg-koeln.mpg.de/publikation/discussion_papers/dp93-98.html>.
Tangri R. 1998. Politics, capital and the state in sub-Saharan Africa. *Commonwealth and Comparative Politics* **36** (2): 108-122.
Temple J. 1998. Initial conditions, social capital and growth in Africa. *Journal of African Economies* **7** (3): 309-347.
Temu AE, Drue JN. 2000. The business environment in Tanzania under socialism. *Journal of Modern African Studies* **38** (4): 683-712.
Thioub I, Diop MC, and Boone C. 1998. Economic liberalization in Senegal: Shifting politics of indigenous business interests. *African Studies Review* **41** (2): 63-89.
UNDP (United Nations Development Program). 1997. *Governance for Sustainable Human Development*. UNDP: New York.
UNDP. 1999. *Human Development Report.* <http://www.undp.org/hdro/>.
UNDP. 2000. *Civil Society Organizations and Participatory Program (CSOPP).* <http://www.undp.org/csopp/CSO/NewFiles/faqs.htm>.
Williamson O. 1996. The institutions and governance of economic development and reform. In *The Mechanisms of Governance*. Oxford University Press: Oxford.
World Bank. 1994. *Governance.* World Bank and UNDP: Washington DC.
World Bank. 1997. *World Development Report 1997: The State in a Changing World*. Oxford University Press: New York.
World Bank. 2000a. *Can Africa Claim the 21st Century? CD-ROM*. World Bank: Washington, DC.
World Bank. 2000b. *World Development Indicators 2000 on CD-ROM*. World Bank: Washington, DC.
World Bank. 2001. *Africa Database on CD-ROM*. World Bank: Washington, DC.
World Economic Forum. 1998. *The Africa Competitiveness Report*. Geneva.
World Economic Forum. 2000. *The Africa Competitiveness Report 2000/2001*. Oxford University Press: New York.

Appendix

Executive Survey-For Firms

Question format
Many questions included in the survey are of the following format:

Telecommunications infrastructure in your country

Severely limits business activity	1	2	3	4	5	6	*does not limit business activity*

Circling “1” means you agree wholeheartedly with what is written on the left-hand side
Circling “6” means you agree wholeheartedly with what is written on the right-hand side not limit business activity).

Circling 2: you largely agree with the left-hand side
Circling 3: you agree somewhat with the left-hand side
Circling 4: you agree somewhat with the right-hand side
Circling 5: you largely agree with the right-hand side.

Use of “your firm” or “your country”
This survey is being administered in several countries in Africa. To simplify printing procedures, we have used the terms “your firm” and “your country” frequently. “Your country” means the country in which you are presently working and residing. If you are an expatriate, “your country” does NOT refer to the country from which you come. “Your firm” refers to the firm in which you are presently working. If it is a multinational firm, the term refers to the firm’s operations in “your country”.

About Your Firm

1. Your firm’s main business is in (choose one)

❒ Services
  ❒ Financial
  ❒ Other
❒ Agriculture
❒ Forestry
❒ Energy

❒ Manufacturing
  ❒ Mining
  ❒ Textiles, apparel or footwear
  ❒ Electronics or high-tech equipment
  ❒ Construction materials
  ❒ Other (please specify)
  ____

2. The number of employees in your firm is_______________.

3. What percentage of your firm’s sales are

in your country ________
in bordering countries ________
in other African countries ________
in Western Europe ________
in East Asia ________
in North America ________
in South America ________

4. Your firm has worked in your country

❒ less than five years ❒ six to fifteen years ❒ more than fifteen years

5. **Your firm is (check all that apply)**

❒ family-owned/controlled (more than 50%)
❒ government-owned/controlled (more than 50%)
❒ publicly held
❒ owned or controlled by a small (<5) number of investors
❒ other (please specify) ________________________

6. **Your firm is primarily**

❒ foreign owned/controlled
❒ domestically owned/controlled

7. **What are your firm's approximate annual revenues?**

US dollars _____________
local currency _____________

8. **What is the approximate net worth of your firm?**_________________________

Institutions

1. **Which of the following would you define as your leading competitor?**

❒ a. Domestic small and medium enterprises
❒ b. Domestic large private enterprises
❒ c. State-owned enterprises
❒ d. Micro-enterprises/informal sector
❒ e. Legal imports
❒ f. Smuggled goods
❒ g. My firm has no competitors
❒ h. Other (specify) ______________________

2. **How serious a problem are the following practices of your firm's competitors?**

	No obstacle	*Minor Obstacle*	*Moderate Obstacle*	*Major Obstacle*
a. They avoid sales tax or other taxes	1	2	3	4
b. They do not pay duty or observe trade regulations	1	2	3	4
c. Foreign producers sell below international prices	1	2	3	4
d. Domestic producers sell below fair prices	1	2	3	4
e. They avoid labour taxes/regulations (e.g., social security)	1	2	3	4
f. They violate copyrights, patents or trademarks	1	2	3	4
g. They collude to limit access to credit, supplies, land, equipment or customers	1	2	3	4

Comment ____

3. **Recognising the difficulties many enterprises face in fully complying with taxes and regulations, what percentage of total sales would you estimate the typical firm in your industry keeps "off the books"?**

❒ a. None at all
❒ b. 1-10%
❒ c. 11-20%
❒ d. 21-30%
❒ e. 31-40%
❒ f. 41-50%
❒ g. More than 50% (specify _______ %)

4. The legal system in your country

Now: is effective at enforcing commercial contracts	1 2 3 4 5 6	is not effective at enforcing commercial contracts
Five years ago: was effective at enforcing commercial contracts	1 2 3 4 5 6	was effective at enforcing commercial contracts
Two years from now: will be effective at enforcing commercial contracts	1 2 3 4 5 6	will not be effective at enforcing commercial contracts

5. Uncertain rules, laws, or government policies

impose significant costs on businesses	1 2 3 4 5 6	do not impose significant costs on businesses

6. "In general, information on laws and regulations affecting my firm is easy to obtain." To what degree do you agree with this statement?

strongly agree	1 2 3 4 5 6	strongly disagree

7. "In general, interpretations of regulations affecting my firm are consistent and predictable." To what degree do you agree with this statement?

Now: strongly agree	1 2 3 4 5 6	strongly disagree
Five years ago: strongly agree	1 2 3 4 5 6	strongly disagree
Two years from now: strongly agree	1 2 3 4 5 6	strongly disagree

8. Please rate your overall perception of the relation between government and/or bureaucracy and private firms on the following scale.: "All in all, for doing business I perceive the state as":

Central/National Government

Now:	very helpful	1 2 3 4 5 6	very unhelpful
Five years ago:	very helpful	1 2 3 4 5 6	very unhelpful
Two years from now:	very helpful	1 2 3 4 5 6	very unhelpful

Local/Regional Government

		1 2 3 4 5 6	

Now:	very helpful		very unhelpful
Five years ago:	very helpful	1 2 3 4 5 6	very unhelpful
Two years from now:	very helpful	1 2 3 4 5 6	very unhelpful

9. Organised crime in your country

imposes significant costs on businesses	1 2 3 4 5 6	does not impose significant costs on businesses

10. Government contracts and other public benefits are awarded

on a competitive bidding basis	1 2 3 4 5 6	to friends (and relatives) of politicians

11. Please evaluate the following statement: "The process of developing new rules, regulations or policies is usually such that businesses are informed in advance of changes affecting them."

Always	1 2 3 4 5 6	Never

12. Please rate the overall quality, integrity and efficiency of services delivered by the following public agencies or services (if the usual provider is private, N/A)

	Very Good	*Good*	*Slightly Good*	*Slightly Bad*	*Bad*	*Very Bad*	
Regulatory/Judicial a. Customs Service/Agency	1	2	3	4	5	6	N/A
b. The judiciary/courts	1	2	2	4	5	6	N/A
Infrastructure c. Roads Department/Public Works	1	2	3	4	5	6	N/A
d. Postal Service/Agency	1	2	2	4	5	6	N/A
e. Telephone Service/Agency	1	2	2	4	5	6	N/A
f. The electric power company/agency	1	2	2	4	5	6	N/A
g. Water/Sewerage Service/Agency	1	2	2	4	5	6	N/A
Human Services h. Public health care services/hospitals	1	2	3	4	5	6	N/A
i. Education services/Schools	1	2	2	4	5	6	N/A
Security j. Police	1	2	3	4	5	6	N/A
k. Armed forces/military	1	2	2	4	5	6	N/A
Policy/Legislation l. Central government leadership (President/PM/Cabinet)	1	2	3	4	5	6	N/A
m. The Parliament	1	2	2	4	5	6	N/A

13. How would you generally rate the efficiency of government in delivering services?

Central/National Government

Now:	very efficient	1 2 3 4 5 6	very inefficient
Five years ago:	very efficient	1 2 3 4 5 6	very inefficient
Two years from now:	very efficient	1 2 3 4 5 6	very inefficient

Local/Regional Government

Now:	very efficient	1 2 3 4 5 6	very inefficient
Five years ago:	very efficient	1 2 3 4 5 6	very inefficient
Two years from now:	very efficient	1 2 3 4 5 6	very inefficient

14 Hidden import barriers (other than published tariffs and quotas)

Now: are an important problem in your country	1 2 3 4 5 6	are not an important problem
Five years ago: were an important problem in your country	1 2 3 4 5 6	were not an important problem
Two years from now: will be an important problem in your country	1 2 3 4 5 6	will not be an important problem

15. Public sector contracts

are not adequately open to foreign investors	1 2 3 4 5 6	are sufficiently open to foreign investors

Is there anything of relevance concerning institutions in your country that we have neglected to ask? Please comment freely.

Infrastructure

1. Please judge the effect of the following factors on businesses in your country [1 = significant adverse effect, 2 = adverse effect, 3 = minimal adverse effect, N/A]

____ distance from a port city
____ distance from suppliers of inputs
____ distance from consumers
____ distance from water sources (not for transportation purposes)
____ distance from energy sources
____ instability in a neighbouring country
____ refugees from a neighbouring country
____ other

2. If you import, how long does it typically take from the time your goods arrive in their port of entry (e.g., port, airport) until the time you can claim them from customs?

days ____________ N/A ____________

3. The cost of telecommunications in your country

Now: is affordable	1 2 3 4 5 6	is prohibitively expensive
Five years ago: was affordable	1 2 3 4 5 6	was prohibitively expensive
Two years from now: will probably be affordable	1 2 3 4 5 6	will be prohibitively expensive

4. Access to the Internet in your country

Now: is difficult to obtain	1 2 3 4 5 6	is widely available
Two years from now: will probably be difficult to obtain	1 2 3 4 5 6	will be widely available

5. The cost of access to the Internet in your country

Now: is affordable	1 2 3 4 5 6	is prohibitively expensive
Two years from now: will probably be affordable	1 2 3 4 5 6	will be prohibitively expensive

6. How many computers (approximately) does your firm use on a regular basis?

Now:	*Five years ago:*	*Two years from now:*
❒ none	❒ none	❒ none
❒ 1-10	❒ 1-10	❒ 1-10
❒ 11-100	❒ 11-100	❒ 11-100
❒ 101-1000	❒ 101-1000	❒ 101-1000
❒ more than 1000	❒ more than 1000	❒ more than 1000

Is there anything of relevance concerning infrastructure in your country which we have neglected to ask? Please comment freely.

Finance

1. "I have full confidence in the ability of my country's financial system to provide financing to private firms like mine." To what degree do you agree with this statement?

Now:	fully agree	1 2 3 4 5 6	strongly disagree
Five years ago:	fully agree	1 2 3 4 5 6	strongly disagree

Two years from now: fully agree | 1 | 2 | 3 | 4 | 5 | 6 | strongly disagree

2. Of the following, please identify the four most important sources of your firm's investment finance (in land, plant and equipment) (1=most important, 2=second most important, 3=third, 4=fourth)

____ a. Internal funds/retained earnings
____ b. Equity, sale of stock
____ c. Local commercial banks
____ d. Investment funds/special development finance
____ e. Foreign banks
____ f. Family/friends
____ g. Moneylenders, traditional or informal sources
____ h. Supplier credit
____ i. Leasing arrangement
____ j. Other (specify)

3. How severe are each of the following financial obstacles to the operation and growth of your firm?

	No obstacle	*Minor Obstacle*	*Moderate Obstacle*	*Major Obstacle*
a. Collateral requirements of banks or financial institutions	1	2	3	4
b. Bank paperwork/bureaucracy	1	2	3	4
c. High interest rates	1	2	3	4
d. Need special connections with banks/financial institutions	1	2	3	4
e. Banks lack money to lend	1	2	3	4
f. Corruption of bank officials	1	2	3	4
g. Lack of access to foreign banks	1	2	3	4
h. Lack of access to non bank equity investors – partners	1	2	3	4
i. Lack of access to specialised export finance	1	2	3	4
j. Lack of access to lease finance for equipment	1	2	3	4
k. Inadequate credit information system	1	2	3	4

4. Does your firm provide its shareholders with annual financial statements that have been reviewed by an external auditor?

❐ yes ❐ no

5. In general, banks and other lending institutions in your country

make loans based on existing personal relationships | 1 | 2 | 3 | 4 | 5 | 6 | do not make loans based on existing personal relationships

Is there anything of relevance concerning the financial institutions in your country which we have neglected to ask? Please comment freely.

Governance

1. Please judge on a four point scale how problematic are these different regulatory problems for the operations and growth of your business (Please do not select more than 4 obstacles as “Major” (4)):

	No obstacle	*Minor Obstacle*	*Moderate Obstacle*	*Major Obstacle*
a. Business Licensing	1	2	3	4
b. Customs/Foreign Trade Regulations	1	2	3	4
c. Labour regulations	1	2	3	4
d. Foreign currency/exchange regulations	1	2	3	4
e. Environmental Regulations	1	2	3	4
f. Fire, safety regulations	1	2	3	4
g. High taxes	1	2	3	4

2. How often does the government intervene in the following types of decisions by your firm?

	Always	*Usually*	*Frequently*	*Sometimes*	*Seldom*	*Never*
a. Investment	1	2	2	4	5	6
b. Employment	1	2	2	4	5	6
c. Sales	1	2	2	4	5	6
d. Pricing	1	2	2	4	5	6
e. Mergers/Acquisitions	1	2	2	4	5	6
f. Dividends	1	2	2	4	5	6

3. Government regulations are

Vague	1	2	3	4	5	6	precise
rarely enforced	1	2	3	4	5	6	fully enforced

4. Tax evasion in your country

is rampant	1	2	3	4	5	6	is minimal

5. In your country, irregular, additional payments connected with import and export permits, business licenses, exchange controls, tax assessments, police protection or loan applications

Now:

are required for effective business	1	2	3	4	5	6	are rare in the business community

Five years ago:

were required for effective business	1	2	3	4	5	6	were rare in the business community

Two years from now:

will probably be required for effective business	1	2	3	4	5	6	will be rare in the business community

6. Does your firm typically need to make extra, unofficial payments for any of the following?:

	Never	*Seldom*	*Sometimes*	*Frequently*	*Mostly*	*Always*
a. To get connected to public services (e.g., electricity, phone)	1	2	2	4	5	6
b. To get licenses and permits	1	2	2	4	5	6
c. To deal with taxes and tax collection	1	2	2	4	5	6
d. To gain government contracts	1	2	2	4	5	6
e. When dealing with customs/imports	1	2	2	4	5	6

7. How much do you estimate that your firm spends annually on these types of payments?

US dollars _____________ local currency _____________

8. When these extralegal payments are made, how confident can you be that the permit/service promised will indeed be delivered?

Now: Not at all confident | 1 | 2 | 3 | 4 | 5 | 6 | very confident

Five years ago: Not at all confident | 1 | 2 | 3 | 4 | 5 | 6 | very confident

Two years from now: Not at all confident | 1 | 2 | 3 | 4 | 5 | 6 | very confident

9. What percentage of senior management's time is spent with officials negotiating or obtaining licenses, regulations, permits or tax assessments? __________________

10. In the last five years, difficulties in dealing with government officials have:

❒ a. Increased ❒ b. Remained the same ❒ c. Decreased ❒ d. Don't know

Is there anything of relevance concerning the process of obtaining licenses, permits, or regarding extralegal payments in your country that we have neglected to ask? Please comment freely.

Labour and Health

1. Hiring and firing practices are

Severely restricted by the government | 1 | 2 | 3 | 4 | 5 | 6 | flexibly determined by employers

2. Illness and disease among the employees of your firm:

Now:
Impose significant costs on your business | 1 | 2 | 3 | 4 | 5 | 6 | do not impose significant costs on your business

Five years ago:

Imposed significant costs on your business	1 2 3 4 5 6	did not impose significant costs on your business

Two years from now:

Will probably impose significant costs on your business	1 2 3 4 5 6	will not impose significant costs on your business

3. What percentage of your company's workforce do you estimate is HIV-positive?_____________

4. How confident are you this figure is an accurate reflection of the actual infection rates of HIV?

Extremely confident	1 2 3 4 5 6	Not at all confident

5. How did you arrive at your answer to question 3?

❒ a. Blood tests
❒ b. Anecdotal information
❒ c. I guessed
❒ d. Combination (please specify)
❒ e. Other

6. Due to death and disability from HIV infection, does your company do the following?

	Yes	*No*	*Don't know*
a. Hire more than one employee for management or technical positions If so, how many additional people are hired per position? __________	❒	❒	❒
b. Hire more than one employee for labourer or clerical positions If so, how many additional people are hired per position? __________	❒	❒	❒

7. Does your company provide the following employee services?

	Yes	*No*	*Don't know*
a. Routine HIV screening			
Now:	❒	❒	❒
Five years ago:	❒	❒	❒
Two years from now:	❒	❒	❒
b. If so, is it anonymous testing?	❒	❒	❒
c. HIV counselling or education			
Now:	❒	❒	❒
Five years ago:	❒	❒	❒
Two years from now:	❒	❒	❒
d. Free condoms	❒	❒	❒
e. Health insurance	❒	❒	❒
f. Direct health care through a company clinic	❒	❒	❒

8. What are the total costs of all HIV-related testing, counselling, educational services provided by your company?

9. What percentage of your company's workforce has died as a result of AIDS-related illness (in your best estimation)?

________ a. Now ________ b. Five years ago _______c. Two years from now

10. Of those employees who are HIV-positive, can you estimate the percentage who are:

Level in organisation	%	*Education level*	%
senior management	_____	No formal education	_____
middle management	_____	Primary school graduates	_____
clerical staff	_____	Secondary school graduates	_____
Workers	_____	Trade school graduates	_____
Other	_____	University graduates	_____
		Advanced degree holders	_____

11. How would you rank the severity of the AIDS epidemic on the costs of running your business in the following ways? (1-4 scale)

	No Obstacle	*Minor Obstacle*	*Moderate Obstacle*	*Major Obstacle*
a. Health care costs	1	2	3	4
b. Funeral benefits costs	1	2	3	4
a. Time lost due to AIDS-related illness in employee	1	2	3	4
b. Time lost due to employees attending funeral	1	2	3	4
c. Reduction in skill level of workforce	1	2	3	4
d. Training costs increasing	1	2	3	4
e. Quality of your company's product decreasing	1	2	3	4
f. Firm's strategic planning impeded	1	2	3	4
g. Firm morale decreasing	1	2	3	4
j. Other (specify):	1	2	3	4

12. How has your company adjusted its policies or its corporate strategies as a result of AIDS?

13. Union organisation, labour unrest or general strikes

impose significant costs on your firm | 1 | 2 | 3 | 4 | 5 | 6 | do not impose significant costs on your firm

Comment ____

14. Please provide the typical <u>monthly</u> salary (in local currency) of the following workers at your company: based on full-time work (40 hours per week) and not including any payroll taxes paid by the firm or any income taxes that the worker may eventually have to pay.

a. Office cleaning help:___________
b. Driver:_________
c. Mid-level secretary (5 years experience):_________

d. Mid-level management___________
e. Senior management_____________

15. Please provide the cost of one standard male haircut (in local currency). __________.

Is there anything of relevance concerning the labour force or health issues in your country which we have neglected to ask? Please comment freely.

Special section for firms engaged in foreign direct investment

(to be skipped by other firms)

A foreign direct investment is defined as one of the following:1) a wholly owned subsidiary or branch in a country other than the home country of the investing party; 2)a partially-owned subsidiary or branch; 3) a joint venture in another country; 4)an ownership interest in an ongoing firm in another country.

Please check one of the following. Answers are based on…………

❐ your firm's most recent investment
❐ your firm's most recently planned investment that was not undertaken
❐ your firm's next planned investment

1. Your foreign plant serves

❐ local markets with few exports ❐ export markets with no local sales

2. If there are many other multinationals in the same industry in the country, you are

❐ less likely to invest in a country ❐ more likely to invest in a country

Comment ____

3. If there are many other domestic firms in the same industry in the country, you are

❐ less likely to invest in a country ❐ more likely to invest in a country

Comment ____

4. Please judge on a four-point scale how important these different factors are to your decisions whether or not to make a foreign direct investment. (Please do not select more than five factors as "extremely important").

1 = extremely important: 2 = important: 3 = not important: 4 = not relevant

a. Tax holidays and other tax incentives ______
b. Investment incentives such as grants, cheap credit, government-sponsored training ______
c. Export zones and export incentives ______
d. Political stability ______
e. Predictability and reliability of government policies, regulations, or laws ______
f. Labour costs ______
g. Productivity and work habits of workers ______
h. Education levels of workers ______
i. Size of the domestic market ______
j. Ability to enforce contracts ______
k. Ability to repatriate capital and remit profits ______
l. Cultural affinities such as language or religion ______
m. Infrastructure, such as roads, ports, telecommunications facilities ______

n. Geographic location ______

Is there anything of relevance concerning your foreign direct investment decisions which we have neglected to ask? Please comment freely.

Policy Advocacy

1. Does your company belong to a business or industry association, such as the chamber of commerce or a commodity organisation?

❒ yes ❒ no

2. If you answered yes to question #1, name the business association or organisation.

3. Business associations (for example the Chamber of Commerce or commodity associations) in your country

are a useful source of information about public policy affecting business	1 2 3 4 5 6	are a poor source of information about public policy affecting business
effectively represent the interests of business with government decision makers	1 2 3 4 5 6	do not effectively represent the interests of business with government decision makers
are controlled by the national government	1 2 3 4 5 6	are fully independent organisations

4. When your industry has a problem, government officials

Now: work hard to take care of it	1 2 3 4 5 6	do little to help
Five years ago: worked hard to take care of it	1 2 3 4 5 6	did little to help
Two years from now: will work hard to take care of it	1 2 3 4 5 6	will do little to help

5. How often do you personally meet with the following types of people to discuss public policy issues that affect the business community?

With political or elected representatives

❒ daily
❒ once a week
❒ once a month
❒ rarely
❒ other _______________

With civil servants

❒ daily
❒ once a week
❒ once a month
❒ rarely
❒ other _______________

With other business people

❒ daily
❒ once a week
❒ once a month
❒ rarely
❒ other _______________

6. Public officials (elected or appointed) in your country understand the problems of business

Strongly agree	1 2 3 4 5 6	strongly disagree

7. When public officials in your country promise to do something, they follow through on it

Strongly agree	1	2	3	4	5	6	strongly disagree

8. In case of important changes in laws or policies affecting your business operations, public officials take account of concerns voiced by either you or your business association

Strongly agree	1	2	3	4	5	6	strongly disagree

9. Public officials in your country are more likely to listen to representatives of other industries than they are to anyone from your industry

Strongly agree	1	2	3	4	5	6	strongly disagree

10. In general, business in your country expects too much of government

Strongly agree	1	2	3	4	5	6	strongly disagree

Is there anything of relevance concerning policy advocacy in your country that we have neglected to ask? Please comment freely.

General Questions

Please judge how problematic the following areas are for doing business. (Please do not select more than five areas as "very strong").
1=very strong: 2=strong: 3=not strong: 4=no impact: 5=not applicable to your situation

a. Regulations for starting business/new operator ______
b. Regulations on foreign trade (exports imports) ______
c. Financing ______
d. Labour regulations ______
e. Foreign currency regulations ______
f. Tax regulations ______
g. Tax rates ______
h. Inadequate supply of infrastructure ______
i. Policy instability ______
j. Inflation ______
k. General uncertainty on costs of regulations ______
l. Crime and theft ______
m. Corruption ______
n. Government coups or political instability ______
o. Inadequate workforce educational levels ______
p. Geographical location ______
q. The work ethic in your country’s labour force ______
r. Inefficient government bureaucracy ______
s. Apathetic or indifferent politicians ______

Is there anything you wish to add, in particular on the competitive position of your firm or your country? Please comment freely on any subject you feel we have neglected to address in our questions.

To Order EAGER Publications

EAGER Publications/BHM
P.O. Box 3415
Alexandria, Virginia 22302
Tel: (703) 299-0650 Fax: (703) 299-0651
e-mail: spriddy@eagerproject.com

EAGER Publications can be downloaded from www.eagerproject.com or through USAID's website at www.dec.org

Policy Briefs based on EAGER research funded by the U.S. Agency for International Development:

1. Can Mali Increase Red Meat Exports? Metzel, Jeffrey, Abou Doumbia, Lamissa Diakite, and N'Thio Alpha Diarra. *Prospects for Developing Malian Livestock Exports*. Cambridge, MA: Associates for International Resources and Development, 1997. Available in French.

2. The Livestock Sector in Mali - Potential for the Future. Metzel, Jeffrey, Abou Doumbia, Lamissa Diakite, and N'Thio Alpha Diarra. *Prospects for Developing Malian Livestock Exports.* Cambridge, MA: Associates for International Resources and Development, 1997. Available in French.

3. Mali's Manufacturing Sector: Policy Reform for Success. Cockburn, John, Eckhard Siggel, Massaoly Coulibaly, and Sylvain Vézina. *Manufacturing Competitiveness and the Structure of Incentives in Mali.* Cambridge, MA: Associates for International Resources and Development, 1997. Available in French.

4. Growth and Equity: Gemstone and Gold Mining in Tanzania. Phillips, Lucie Colvin, Rogers Sezinga, Haji Semboja, and Godius Kahyarara. *Gemstone and Gold Marketing for Small-Scale Mining in Tanzania.* Arlington, VA: International Business Initiatives, 1997. Available in French.

5. Financial Services and Poverty in Senegal. Ndour, Hamet, and Aziz Wané. *Financial Intermediation for the Poor*. Cambridge, MA: Harvard Institute for International Development, 1997. Available in French.

6. Need to Promote Exports of Malian Rice. Barry, Abdoul W., Salif B. Diarra, and Daouda Diarra. *Promotion of the Regional Export of Malian Rice.* Cambridge, MA: Associates for International Resources and Development, 1997. Available in French.

7. Trade Policy Reform: A Success? Metzel, Jeffrey, and Lucie C. Phillips. *Bringing Down Barriers to Trade: The Experience of Trade Policy Reform.* Cambridge, MA: Associates for International Resources and Development, 1997. Available in French.

8. Excise Taxes: A Greater Role in Sub-Saharan Africa? Bolnick, Bruce, and Jonathan Haughton. *Tax Policy in Sub-Saharan Africa: Reexamining the Role of Excise Taxation.* Cambridge, MA: Harvard Institute for International Development, 1997. Available in French.

9. Status of Financial Intermediation for the Poor in Africa. Nelson, Eric. *Financial Intermediation for the Poor: Survey of the State of the Art.* Bethesda, MD: Development Alternatives Incorporated, 1997. Available in French.

10. Foreign Direct Investment and Institutions. Wilhelms, Saskia K.S. *Foreign Direct Investment and Its Determinants in Emerging Economies*. Cambridge, MA: Associates for International Resources and Development, 1997. Available in French.

11. Strong Institutions Support Market-Oriented Policies. Goldsmith, Arthur. *Institutions and Economic Growth in Africa.* Cambridge, MA: Harvard Institute for International Development, 1997. Available in French.

12. Reducing Tax Evasion. Wadhawan, Satish, and Clive Gray. *Enhancing Transparency in Tax Administration: A Survey*. Cambridge, MA: Harvard Institute for International Development, 1997. Available in French.

13. Can Africa Take Lessons from the U.S. Approach to Tax Evasion? Gray, Clive. *Enhancing Transparency in Tax Administration: United States Practice in Estimating and Publicizing Tax Evasion.* Cambridge, MA: Harvard Institute for International Development, 1997. Available in French.

14. Estimating Tax Buoyancy, Elasticity and Stability. Haughton, Jonathan. *Estimating Tax Buoyancy, Elasticity, and Stability.* Cambridge, MA: Harvard Institute for International Development, 1997. Available in French.

15. Estimating Demand Curves for Goods Subject to Excise Taxes. Jonathan Haughton. *Estimating Demand Curves for Goods Subject to Excise Taxes.* Cambridge, MA: Harvard Institute for International Development, 1997. Available in French.

16. Fixed or Floating Exchange Rates? Amvouna, Anatolie Marie. *Determinants of Trade and Growth Performance in Africa: A Cross-Country Analysis of Fixed Versus Floating Exchange Rate Regimes.* Cambridge, MA: Associates for International Resources and Development, 1997. Available in French.

17. Trade and Development in Africa. Stryker, J. Dirck. *Trade and Development in Africa.* Cambridge, MA: Associates for International Resources and Development, 1997. Available in French.

18. Increasing Demand for Labor in South Africa. Stryker, J. Dirck, Fuad Cassim, Balakanapathy Rajaratnam, Haroon Bhorat, and Murray Leibbrandt. *Increasing Demand for Labor in South Africa.* Cambridge, MA: Associates for International Resources and Development, 1998.

19. Structural Adjustment: Implications for Trade. Barry, Abdoul W., B. Lynn Salinger, and Selina Pandolfi. *Sahelian West Africa: Impact of Structural Adjustment Programs on Agricultural Competitiveness and Regional Trade.* Cambridge, MA: Associates for International Resources and Development, 1998. Available in French.

20. The Uruguay Round: Impact on Africa. Hertel, Thomas W., William A. Masters, and Aziz Elbehri. *The Uruguay Round and Africa: A Global, General Equilibrium Analysis.* Cambridge, MA: Associates for International Resources and Development, 1998. Available in French.

21. Are Formal Trade Agreements the Right Strategy? Radelet, Steven. *Regional Integration and Cooperation in Sub-Saharan Africa: Are Formal Trade Agreements the Right Strategy?* Cambridge, MA: Harvard Institute for International Development, 1997.

22. Textiles in South Africa. Flaherty, Diane P., and B. Lynn Salinger. *Learning to Compete: Innovation and Gender in the South African Clothing Industry.* Cambridge, MA: Associates for International Resources and Development, 1998. Available in French.

23. Barriers to Business Expansion in a New Environment: *The Case of Senegal.* Beltchika-St. Juste, Ndaya, Mabousso Thiam, J. Dirck Stryker, with assistance from Pape Ibrahima Sow. *Barriers to Business Expansion in a New Environment: The Case of Senegal.* Cambridge, MA: Associates for International Resources and Development, 1999. Available in French.

24. Government and Bureaucracy. Goldsmith, Arthur. *Africa's Overgrown State Reconsidered: Bureaucracy and Economic Growth*. Cambridge, MA: Harvard Institute for International Development, 1998.

25. What Can We Do To Stop Smuggling in Tanzania? Phillips, Lucie Colvin, Rogers Sezinga, and Haji Semboja. Based on EAGER Research. Arlington, VA: International Business Initiatives, 1997.

26. Financial Programming in East and Southern Africa. Workshop held in Lilongwe, Malawi. June, 1999.

27. Restarting and Sustaining Growth and Development in Africa: A Framework for Action. Duesenberry, James S., Arthur A. Goldsmith, and Malcolm F. McPherson. *Restarting and Sustaining Growth and Development in Africa*. Cambridge, MA: Harvard Institute for International Development, 2000.

28. Restarting and Sustaining Growth and Development in Africa: Enhancing Productivity. Duesenberry, James S., Arthur A. Goldsmith, and Malcolm F. McPherson. *Restarting and Sustaining Growth and Development in Africa.* Cambridge, MA: Harvard Institute for International Development, 2000.

29. A Pragmatic Approach to Policy Change. Duesenberry, James S., and Malcolm F. McPherson. *Restarting and Sustaining Growth and Development in Africa: The Role of Macroeconomic Management.* Cambridge, MA: Harvard Institute for International Development, forthcoming in 2000.

30. Finance Capital and Real Resources. Duesenberry, James S., and Malcolm F. McPherson. *Restarting and Sustaining Growth and Development in Africa: The Role of Macroeconomic Management.* Cambridge, MA: Harvard Institute for International Development, forthcoming in 2000.

31. The Role of Central Bank Independence in Improved Macroeconomic Management. Duesenberry, James S., and Malcolm F. McPherson. *Restarting and Sustaining Growth and Development in Africa: The Role of Macroeconomic Management.* Cambridge, MA: Harvard Institute for International Development, forthcoming in 2000.

32. Governance and Macroeconomic Management. Duesenberry, James S., and Malcolm F. McPherson. *Restarting and Sustaining Growth and Development in Africa: The Role of Improved Macroeconomic Management.* Cambridge, MA: Harvard Institute for International Development, 2000.

33. The Benefits and Costs of Seignorage. McPherson, Malcolm F. *Seignorage in Highly Indebted Developing Countries.* Cambridge, MA: Harvard Institute for International Development, 2000.

35. Global Trade Analysis for Southern Africa. Masters, William A. Based on EAGER research in Southern Africa. West Lafayette, IN: Purdue University, 2000.

36. Modeling Long-Term Capacity Expansion Options for the Southern African Power Pool (SAPP). Sparrow, F. T., Brian H. Bowen, and Zuwei Yu. *Modeling Long-Term Capacity Expansion Options for the Southern African Power Pool (SAPP).* West Lafayette, IN: Purdue University, 1999.

38. Africa's Opportunities in the New Global Trading Scene. Salinger, B. Lynn, Anatolie Marie Amvouna, and Deirdre Murphy Savarese. *New Trade Opportunities for Africa.* Cambridge, MA: Associates for International Resources and Development, 1998. Available in French.

39. Implications for Africa of Initiatives by WTO, EU and US. Plunkett, Daniel. *Implications for Africa of Initiatives by WTO, EU and US.* Cambridge, MA: Associates for International Resources and Development, 1999.

40. Domestic Vanilla Marketing in Madagascar. Metzel, Jeffrey, Emilienne Raparson, Eric Thosun Mandrara. *The Case of Vanilla in Madagascar*. Cambridge, MA: Associates for International Resources and Development, 1999.

41. The Transformation of Microfinance in Kenya. Rosengard, Jay, Ashok S. Rai, Aleke Dondo, and Henry O. Oketch. *Microfinance Development in Kenya: Transforming K-Rep's Microenterprise Credit Program into a Commercial Bank.* Cambridge, MA: Harvard Institute for International Development, 1999.

42. Africans Trading with Africans: Cross-Border Trade – The Case of Ghana. Morris, Gayle A., and John Dadson. *Ghana: Cross Border Trade Issues.* Arlington, Virginia: International Business Initiatives, 2000.

43. **Trade Liberalization and Growth in Kenya.** Glenday, Graham, and T. C. I. Ryan. Based on EAGER Research. Cambridge, MA: Belfer Center for Science & International Affairs, John F. Kennedy School of Government, Harvard University, 2000.

46. **Labor Demand and Labor Productivity in Ghana.** Gyan-Baffour, George, and Charles Betsey, in collaboration with Kwadwo Tutu and Kwabia Boateng. *Increasing Labor Demand and Labor Productivity in Ghana.* Cambridge, MA: Belfer Center for Science & International Affairs, John F. Kennedy School of Government, Harvard University, 2000.

47. **Foreign & Local Investment in East Africa.** Phillips, Lucie C., Marios Obwona, Margaret McMillan, with Aloys B. Ayako. *Foreign and Local Investment In East Africa, Interactions and Policy Implications: Case Studies on Mauritius, Uganda and Kenya*. Arlington, Virginia: International Business Initiatives, 2000.

48. **Does it pay to court foreign investment?** Phillips, Lucie C., Marios Obwona, Margaret McMillan, with Aloys B. Ayako. *Foreign and Local Investment in East Africa: Interactions and Policy Implications*. Arlington, Virginia: International Business Initiatives, 2000.

49. **Ethnicity & Investment Promotion: A Thorny Path for Policy Makers.** Phillips, Lucie C., Marios Obwona, Margaret McMillan, with Aloys B. Ayako. *Foreign and Local Investment in East Africa: Interactions and Policy Implications*. Arlington, Virginia: International Business Initiatives, 2000.

50. **Monetary and Exchange Rate Policy in Uganda.** Musinguzi, Polycarp, with Marios Obwona, and J. Dirck Stryker. *Monetary and Exchange Rate Policy in Uganda*. Cambridge, MA: Associates for International Resources and Development, 2000.

51. **Criteria for Sound Macroeconomic Management: A Governance Perspective.** Duesenberry, James S., and Malcolm F. McPherson. *Restarting and Sustaining Growth and Development in Africa: The Macroeconomic Dimension.* Cambridge, MA: Belfer Center for Science & International Affairs, John F. Kennedy School of Government, Harvard University, 2001.

52. **Promoting and Sustaining Trade and Exchange Rate Reform: Preventing Policy Reversals.** McPherson, Malcolm F. *Sustaining Trade and Exchange Rate Reform in Africa: Lessons for Macroeconomic Management.* Cambridge, MA: Belfer Center for Science & International Affairs, John F. Kennedy School of Government, Harvard University, 2001.

53. **A Pro-active Approach to Macroeconomic Management in Africa.** Duesenberry, James S., and Malcolm F. McPherson. *Restarting and Sustaining Growth and Development in Africa: The Macroeconomic Dimension.* Cambridge, MA: Belfer Center for Science & International Affairs, John F. Kennedy School of Government, Harvard University, 2001.

54. **Restarting and Sustaining Growth and Development in Africa: The Role of Macroeconomic Management.** Duesenberry, James S., and Malcolm F. McPherson. *Restarting and Sustaining Growth and Development in Africa: The Macroeconomic Dimension.* Cambridge, MA: Belfer Center for Science & International Affairs, John F. Kennedy School of Government, Harvard University, 2001.

55. **The Impact of Policy Reforms on Bank Efficiency and Savings Mobilization in Ghana.** Ziorklui, Sam, in collaboration with Philip Fanara, Jr., Charlie Mahone, C.W.K. Ahiakpor, Fritz Gockel, Sam Mensah, Steven Ameyaw, and Anthony Doku. *The Impact of Financial Sector Reform on Bank Efficiency and Financial Deepening for Savings Mobilization in Ghana*. Washington, DC: Howard University, 2001.

56. **Constraints to Capital Market Development and Growth in Sub-Saharan Africa: The Case of Tanzania.** Ziorklui, Sam, in collaboration with Lemma W. Senbet, Abdiel G. Abayo, Flora Musonda, Bartholomew Nyagetera, Longinus Rutasitara, and Gabriel D. Kitua. *Capital Market Development and Growth in Sub-Saharan Africa: The Case of Tanzania*. Washington, DC: Howard University, 2001.

57. Constraints to Capital Market Development and Growth in Sub-Saharan Africa: The Case of Ghana. Ziorklui, Sam, in collaboration with Lemma W. Senbet, Philip Fanara, Jr., William Barbee, Jr., Kofi Osei, Fritz Gockel, John Kwakye, John Aheto, Ekow Afedzie, and Anthony Doku. *The Development of Capital Markets and Growth in Sub-Saharan Africa: The Case of Ghana*. Washington, DC: Howard University, 2001.

58. Contract Enforcement. Kähkönen, Satu and Patrick Meagher. *Contract Enforcement and Economic Performance*. College Park, Maryland: IRIS, 1998.

59. An 'Aid Exit' Strategy for African Countries. Duesenberry, James S., and Malcolm F. McPherson. *Restarting and Sustaining Growth and Development in Africa: The Macroeconomic Dimension.* Cambridge, MA: Belfer Center for Science & International Affairs, John F. Kennedy School of Government, Harvard University, 2001. McPherson, Malcolm F., and Clive S. Gray. *An 'Aid Exit' Strategy for African Countries: A Debate.* Cambridge, MA: Belfer Center for Science & International Affairs, John F. Kennedy School of Government, Harvard University, 2000.

60. Sequencing of Trade and Exchange Reforms: Lessons from Zambia. McPherson, Malcolm F. *Sustaining Trade and Exchange Rate Reform in Africa: Lessons for Macroeconomic Management.* Cambridge, MA: Belfer Center for Science & International Affairs, John F. Kennedy School of Government, Harvard University, 2001.

61. The Cost of Doing Business: The Legal, Regulatory, and Judicial Environment – Case of Madagascar. Beltchika-Saint Juste, Ndaya, Jeffrey Metzel, Emilienne Raparson, and Louis Rajaonera. *Coût des Affaires : L'environnement juridique, les réglementations et le judiciaire – Cas De Madagascar.* Cambridge, MA: Associates for International Resources and Development, 2001.

African Economic Policy Discussion Papers

1. Kähkönen, S., and P. Meagher. July 1998. *Contract Enforcement and Economic Performance.* Available in French.

2. Bolnick, B., and J. Haughton. July 1998. *Tax Policy in Sub-Saharan Africa: Examining the Role of Excise Taxation.* Available in French.

3. Wadhawan, S. C., and C. Gray. July 1998. *Enhancing Transparency in Tax Administration: A Survey.* Available in French.

4. Phillips, L. C. July 1998. *The Political Economy of Policy Making in Africa.*

5. Metzel, J., and L. C. Phillips. July 1998. *Bringing Down Barriers to Trade: The Experience of Trade Policy Reform.* Available in French.

6. Salinger, B. L., A. M. Amvouna, and D. M. Savarese. July 1998. *New Trade Opportunities for Africa.* Available in French.

7. Goldsmith, Arthur. July 1998. *Institutions and Economic Growth in Africa.* Available in French.

8. Flaherty, D. P., and B. L. Salinger. July 1998. *Learning to Compete: Innovation and Gender in the South African Clothing Industry.*

9. Wilhelms, S. K. S. July 1998. *Foreign Direct Investment and Its Determinants in Emerging Economies.* Available in French.

10. Nelson, E. R. August 1998. *Financial Intermediation for the Poor: Survey of the State of the Art.* Available in French.

11. Haughton, J. August 1998. *Estimating Tax Buoyancy, Elasticity, and Stability.*

12. Haughton, J. August 1998. *Estimating Demand Curves for Goods Subject to Excise Taxes.*

13. Haughton, J. August 1998. *Calculating the Revenue-Maximizing Excise Tax.*

14. Haughton, J. August 1998. *Measuring the Compliance Cost of Excise Taxation.*

15. Gray, C. August 1998. *United States Practice in Estimating and Publicizing Tax Evasion.*

16. Cockburn, J., E. Siggel, M. Coulibaly, and S. Vézina. August 1998. *Measuring Competitiveness and its Sources: The Case of Mali's Manufacturing Sector.* Available in French.

17. Barry, A. W., S. B. Diarra, and D. Diarra. April 1999. *Promotion of Regional Exports of Malian Rice.* Available in French.

18. Amvouna, A. M. July 1998. *Determinants of Trade and Growth Performance in Africa: A Cross-Country Analysis of Fixed verus Floating Exchange Rate Regimes.* Available in French.

19. Stryker, J. D. June 1999. *Dollarization and Its Implications in Ghana.* Available in French.

20. Radelet, S. July 1999. *Regional Integration and Cooperation in Sub-Saharan Africa: Are Formal Trade Agreements the Right Strategy?*

21. Plunkett, D. J. September 1999. *Implications for Africa of Initiatives by the WTO, EU and US.*

22. Morris, G. A. and J. Dadson. March 2000. *Ghana: Cross-Border Trade Issues.*

23. Musinguzi, P., with M. Obwona and J. D. Stryker. April 2000. *Monetary and Exchange Rate Policy in Uganda.*

24. Siggel, E., and G. Ssemogerere. June 2000. *Uganda's Policy Reforms, Industry Competitiveness and Regional Integration: A comparison with Kenya.*

25. Siggel, E., G. Ikiara, and B. Nganda. June 2000. *Policy Reforms, Competitiveness and Prospects of Kenya's Manufacturing Industries: 1984-1997 and Comparisons with Uganda.*

26. McPherson, M. F. July 2000. *Strategic Issues in Infrastructure and Trade Policy.*

27. Sparrow, F. T., B. H. Bowen, and Z. Yu. July 1999. *Modeling Long-Term Capacity Expansion Options for the Southern African Power Pool (SAPP).* Available in French.

28. Goldsmith, A., M. F. McPherson, and J. Duesenberry. January 2000. *Restarting and Sustaining Growth and Development in Africa.*

29. Gray, C., and M. F. McPherson. January 2000. *The Leadership Factor in African Policy Reform and Growth.*

30. Masters, W. A., R. Davies, and T. W. Hertel. November 1998 revised June 1999. *Europe, South Africa, and Southern Africa: Regional Integration in a Global Context.* Available in French.

31. Beltchika-St. Juste, N., M. Thiam, J. D. Stryker, with assistance from P. I. Sow. 1999. *Barriers to Business Expansion in a New Environment: The Case of Senegal.* Available in French.

32. Salinger, B. L., D. P. Flaherty, and M. Keswell. September 1999. *Promoting the Competitiveness of Textiles and Clothing Manufacture in South Africa.*

33. Block, S. A. August 1999. *Does Africa Grow Differently?*

34. McPherson, M. F. and T. Rakovski. January 2000. *A Small Econometric Model of the Zambian Economy.*

35. Salinger, B. L. June 2001. *Productivity, Comparative Advantage, and Competitiveness in Africa*.

36. McPherson, M. F. and A. A. Goldsmith. May 2001. *Is Africa on the Move?*

37. Barry, A. W., Salinger, B. L., and S. Pandolfi. December 2000. *Sahelian West Africa: Impact of Structural Adjustment Programs on Agricultural Competitiveness and Regional Trade*.

38. Plunkett, D. J. May 2001. *Policy Challenges in the West Africa Electricity Project*. Available in French.

40. Bräutigam, D. July 2000. *Interest Groups, Economic Policy, and Growth in Sub-Saharan Africa*.

42. Duesenberry, J. S., and M. F. McPherson. March 2001. *Financial Reform as a Component of a Growth-Oriented Strategy in Africa*.

43. Glenday, G., and D. Ndii. July 2000. *Export Platforms in Kenya*.

44. Glenday, G. July 2000. *Trade Liberalization and Customs Revenues: Does trade liberalization lead to lower customs revenues? The Case of Kenya*.

45. Goldsmith, A. May 2001. *Africa's Overgrown State Reconsidered: Bureaucracy and Economic Growth*.

46. Goldsmith, A. June 2000. *Risk, Rule, and Reason in Africa*.

47. Goldsmith, A. June 2000. *Foreign Aid and Statehood in Africa*.

48. Goldsmith, A. May 2001. *Sizing up the African State: Two Types of Government Errors*.

49. McPherson, M. F., and C. Gray. July 2000. *An 'Aid Exit' Strategy for African Countries: A Debate*.

50. Gyan-Baffour, G. and C. Betsey, with K. Tutu and K. Boateng. February 2001. *Increasing Labor Demand and Labor Productivity in Ghana*.

51. Isimbabi, M. J. December 2000. *Globalization and the WTO Agreement on Financial Services in African Countries*.

52. Duesenberry, J. S. and M. F. McPherson. April 2001. *Restarting and Sustaining Growth and Development in Africa: The Macroeconomic Dimension.*

53. McPherson, M. F., and C. B. Hill. June 2000. *Economic Growth and Development in Zambia: The Way Forward*.

54. McPherson, M. F., and T. Rakovski. March 2001. *Understanding the Growth Process in Sub-Saharan Africa: Some Empirical Estimates*.

56. McPherson, M. F., and T. Rakovski. July 2000. *Exchange Rates and Economic Growth in Kenya: An Econometric Analysis*.

57. McPherson, M. F. July 2000. *Exchange Rates and Economic Growth in Kenya*.

58. McPherson, M. F. July 2000. *Seignorage in Highly Indebted Developing Countries*.

59. McCulloch, R., and M. F. McPherson. March 2001. *Promoting and Sustaining Trade and Exchange Reform in Africa: An Analytical Framework*.

60. McPherson, M. F. March 2001. *Growth and Poverty Reduction in Mozambique: A Framework for Analysis*.

62. McPherson, M. F. March 2001. *Restarting and Sustaining Growth and Development in Africa: A Framework for Improving Productivity*.

64. McPherson, M. F., and T. Rakovski. May 2001. *Trade and Growth in Sub-Saharan Africa: Further Empirical Evidence*.

65. Duesenberry, J. S., C. S. Gray, and M. F. McPherson. May 2001. *Alternative Exchange Rate Regimes for Sub-Saharan Africa*.

66. McPherson, M. F. May 2001. *Sustaining Trade and Exchange Rate Reform in Africa: Lessons for Macroeconomic Management*.

67. Phillips, L. C., M. Obwona, M. McMillan, with A. B. Ayako. December 2000. *Foreign and Local Investment in East Africa: Interactions and Policy Implications*.

68. Phillips, L. C., H. Semboja, G. P. Shukla, R. Sezinga, W. Mutagwaba, B. Mchwampaka, with G. Wanga, G. Kahyarara, and P. C. Keller. March 2001. *Tanzania's Precious Minerals Boom: Issues in Mining and Marketing*.

69. Rosen, S., and J. R. Vincent. May 2001. *Household Water Resources and Rural Productivity in Sub-Saharan Africa: A Review of the Evidence*.

70. Rosengard, J. K., A. S. Rai, A. Dondo, and H. O. Oketch. June 2001. *Microfinance Development in Kenya: Transforming K-Rep's Microenterprise Credit Program into a Commercial Bank*.

71. Shekidele, C. M. S. June 2001. *Report of a Study on Measuring the Compliance Costs of Taxation: Excise Duties 1995-96*.

72. Osoro, N., P. Mpango, and H. Mwinyimvua. June 2001. *An Analysis of Excise Taxation in Tanzania*.

73. Okello, A. K. June 2001. *An Analysis of Excise Taxation in Kenya*.

74. Terkper, S. E. June 2001. *The Role of Excise Taxes in Revenue Generation in Ghana*.

79. Ziorklui, S. Q. in collaboration with L. W. Senbet, A. G. Abayo, F. Musonda, B. Nyagetera, L. Rutasitara, and G. D. Kitua. February 2001. *Capital Market Development and Growth in Sub-Saharan Africa: The Case of Tanzania*.

80. Ziorklui, S. Q. in collaboration with L. W. Senbet, P. Fanara, Jr., W. Barbee, Jr., K. Osei, F. Gockel, J. Kwakye, J. Aheto, E. Afedzie, and A. Doku. February 2001. *The Development of Capital Markets and Growth in Sub-Saharan Africa: The Case of Ghana*.

81. Ziorklui, S. Q. in collaboration with F. Gockel, P. Fanara, Jr., C. Mahone, C.W.K. Ahiakpor, S. Mensah, S. Ameyaw, and A. Doku. February 2001. *The Impact of Financial Sector Reform on Bank Efficiency and Financial Deepening for Savings Mobilization in Ghana*.

EAGER Research Reports

Cockburn, John, E. Siggel, M. Coulibaly, and S. Vézina. October 1998. *Measuring Competitiveness and its Sources: The Case of Mali's Manufacturing Sector.* Available in French.

McEwan, Tom et al. *A Report on Six Studies of Small, Medium and Micro Enterprise Developments in Kwazulu-Natal.*

McPherson, Malcolm F. *Sustaining Trade and Exchange Rate Reform in Africa: Lessons for Macroeconomic Management.*

Metzel, Jeffrey, A. Doumbia, L. Diakite, and N. A. Diarra. July 1998. *Prospects for Developing Malian Red Meat and Livestock Exports.* Available in French.

Phillips, Lucie C., M. Obwona, M. McMillan, with A. B. Ayako. December 2000. *Foreign and Local Investment In East Africa, Interactions and Policy Implications: Case Studies on Mauritius, Uganda and Kenya*.

Phillips, Lucie C., H. Semboja, G. P. Shukla, R. Sezinga, W. Mutagwaba, B. Mchwampaka, with G. Wanga, G. Kahyarara, and P. C. Keller. March 2001. *Tanzania's Precious Minerals Boom: Issues in Mining and Marketing*.

Salinger, Lynn B., H. Bhorat, D. P. Flaherty, and M. Keswell. August 1999. *Promoting the Competitiveness of Textiles and Clothing Manufacture in South Africa.*

Sparrow, F. T., and B. H. Bowen. July 1999. *Modeling Electricity Trade in South Africa: User Manual for the Long-Term Model*.

Sparrow, F. T., B. H. Bowen, and D. J. Plunkett. May 2001. *General Training Manual for the Long-Term Planning Model*. Available in French.

Other Publications

McPherson, Malcolm F., and Arthur Goldsmith. Summer-Fall 1998. Africa: On the Move? *SAIS Review, A Journal of International Affairs*, The Paul H. Nitze School of Advanced International Studies, The John Hopkins University, Volume XVIII, Number Two, p. 153.

EAGER All Africa Conference Proceedings. October 18-20, 1999.

EAGER Regional Workshop Proceedings on the Implementation of Financial Programming. Lilongwe, Malawi. June 10-11, 1999.

EAGER Workshop Proceedings Senegal. November 4-6, 1998.

EAGER Workshop Proceedings South Africa. February 4-6, 1998.

EAGER Workshop Proceedings Tanzania. August 13-16, 1997.

EAGER Workshop Proceedings Ghana. February 5-8, 1997.

EAGER Workshop Proceedings. Howard University. July 17-19, 1996.

EAGER Workshop Proceedings Uganda. June 19-22, 1996.